THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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FILE COPY

MANY MILLIONS OF UNITED STATES CAPITAL IN 1920

A New High Mark for American Investments in Canada

NEW BRANCH PLANTS

Many Established During Year—Total Investments In This Country Nearing Two Billion Mark

By W. G. CATES,
Information Branch, Department of External Affairs.

OTTAWA.—The year 1920 set a new high mark for the aggregate of American investments in Canada during any twelve months. At present only approximate figures can be given, but one is warranted in saying that they were approximately $325,000,000. Nineteen-nineteen was a big year but its figures were exceeded by probably 25 or 30 million dollars. This is a great deal of money but what it means in the awakening on the part of Americans to a realization of the possibilities in Canada may be seen in the fact that $325,000,000 represents more than fifty per cent. of their total investment in the Dominion at the outbreak of war. In the eyes of shrewd investors Canada is indeed the land of opportunity. Some of the best publicity material on Canada is now being issued by American financial institutions.

While only approximate figures can yet be given for the year, the total investment may be classified as follows:

New bond issues	$235,000,000
Other bonds purchased	12,000,000
Industrial investments	50,000,000
Western lands	7,000,000
Increase in insurance assets	16,000,000
	$320,000,000

Of this amount probably $40,000,000 was for refunding purposes, leaving the new capital at approximately $285,000,000. The sales of Canadian bond issues in the United States far exceeded those of any previous year. Hitherto, 1916 held the record with approximately $207,000,000, 1919 being within a few millions of this. The 1920 figures are the more important for they do not include any large Dominion Government issues, such as helped to swell the totals for several preceding years. For example the 1919 figures included a Dominion loan of $75,000,000, and in addition there were American subscriptions to the Victory Bond campaign of that year. Indeed, American takings of war bonds helped very materially to increase the annual returns of bond sales from 1915 down to the end of 1919. Considerable money was borrowed during the year for railways now forming, or about to form, a part of the Government system, but in a direct sense the Dominion Government did not go to the United States money market during the year. So the fact that $230,000,000 of Canadian bonds were disposed of in the United States, and that none of them were new Dominion Government issues, is proof of the strong demand for all classes of Canadian securities.

Exchange a Factor

That quite a large number of other issues originally placed in Canada, such as Victory and provincial bonds were bought by Americans is undoubted. The rate of exchange made this very profitable; besides, the disinclination of American branch houses to call home balances, the transfer of which would mean heavy loss, had the effect of inducing investment in Canadian securities. Such purchases are placed at $12,000,000.

The estimate of $50,000,000 as the amount of American capital that found its way into various industrial enterprises is not excessive when one takes into account the heavy investment in the pulp and paper industry, which from all sources may be placed at $30,000,000 or thereabouts. In this industry the Americans were most aggressive, the newsprint scarcity with attendant high prices having brought home to them the necessity of placing their money in the Canadian industry in order to insure [illegible]ies.

The best authorities agree that the

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LOOKING FOR BETTER TIMES

A. W. Douglas, Chairman of Committee on Statistics and Stanrards of the Chamber of Commerce of the United States, states in his semi-annual review of business situation issued Jan. 2, that a determined and constructive effort is being exerted to bring about a change for the better by teamwork and co-operation. In entire absence of any apprehension of a money panic he sees the most encouraging feature of the whole situation. Se says: "The general thought is that winter months will be quiet and that as spring opens there will be an appreciable change for the better."

NEWS SOON ABOUT THE STEEL MERGER OFF OR ON AGAIN

Definite Word Expected With Return of President Wolvin

By Resident Representative.

MONTREAL.—The latest report from Roy Wolvin, president of the Dominion Steel Corporation, is that he will be back in Montreal by the end of the present month, and it is expected that when he comes he will be able to make a definite announcement one way or the other as to the proposed merger. While opinion here is generally agreed that the merger will not be carried out, except in a limited form to cover Dominion Steel and Scotia, some in touch with Dominion Steel still insist that most of the original plan will go through.

There are suggestions now that if the merger falls down that some form of affiliation will be made between Canada Steamship Lines and the Collingwood Shipbuilding Company, and that even Halifax Shipyards may be brought in. It is assumed also in some financial circles that Canada Steamship Lines must take over the Davie Shipbuilding Company, whose obligations to it are placed in the neighborhood of $2,000,000. The Steamship Company was one of the largest creditors of the Quebec Shipyards. On the other hand, it is felt that Collingwood Shipbuilding Company has always been in a fairly good paying position. A marine authority, in discussing the shipbuilding prospects with the Financial Post, declared that the Collingwood, Vickers and Halifax yards would always be assured of a fair amount of business, with repairs in good volume falling to the Collingwood and Halifax yards, although he had no expectation of war-time activity in any one of the three being duplicated.

C.N.R. Embargo Still in Force

So far as the Dominion Steel Corporation is concerned THE FINANCIAL POST is informed that the refusal of the employees of the Canadian National Railways to handle any commodity going into or coming from the Dominion Steel plants except coal is being maintained and has been in effect since Dec. 28. That this is crippling production goes without saying, and at the moment nothing is known as to what action the Government railways intend to take officially to relieve the situation. The trouble was caused by the company refusing to grant the wage scale covered by the McAdoo award—effective in the United States and Canada as well—to the men engaged in switching operations within the company's yards on the ground that these tracks were not a "railway" in the strict sense of the term. Production has fallen off considerably with the company, and it would be surprising now if the earnings of the company for the fiscal year ending March 31 would even equal those for the past year. Just what the prospects are for orders increasing is now uncertain.

CANADIAN WOOLLENS HAS A "RETAIL" SALE

By Resident Representative.

MONTREAL.—A rather unusual expedient has been adopted by Canadian Woollens to clean out their stocks of woollen cloth, woollen yarns and blankets—they offered them by retail to the public in Peterborough. The three plants of the company, two in Peterborough and one in Toronto, are closed down temporarily until business improves.

REVENUE HAS BEEN EXCEEDING EXPENDITURES

Not Likely to Continue on Same Ratio for Fiscal Year

WORKING OF TAXES

Business Profits Tax Lagging Behind—Luxury Receipts Were Substantial and Must Be Replaced

By T. M. FRASER,
Ottawa Representative, "The Financial Post."

OTTAWA.—One of the most outstanding features in the financial history of Canada for the past year has been the transition from war to peace conditions. For many years to come the Canadian people will have abundant cause to remember the war, in that it had cost up to the end of the last fiscal year well over $1,500,000,000, apart from such expenses as pensions, soldiers' civil re-establishment, soldiers' land settlement, and interest on war debt. There are still echoes of it, however. The war expenditure for the eight months ending November 30th was nearly $9,000,000, while that on the extras above mentioned was well over $100,000,000.

The net debt of Canada on March 31st, 1914, was given as $335,996,850. On November 30th, 1920, it was $2,298,784,804.95, or not far short of seven times as great. It increased during the past twelve months nearly $200,000,000. The funded debt payable in Canada increased during the year over $286,000,000, while that in London and New York remained stationary, but there was a decrease in temporary loans of $540,000,000.

The revenue for the year ending March 31st, 1921, was estimated in the budget at $381,000,000, which for the eight months would amount to $254,000,000. This estimate was made "on the basis of existing fiscal legislation," to use the words of the Minister of Finance in presenting his budget; and therefore presumably did not take into account the luxury and sales taxes, which were announced later on in the budget speech. The minister's estimates of how his revenues were to be secured, together with the sums realized, was as follows:

	Estimates (12 months)	Receipts (8 months)
Customs	$167,000,000	$124,376,000
Excise	43,000,000	26,072,000
Post Office	22,000,000	14,100,000
Railways (9 mths.)	28,000,000	31,598,000
Bus. Profits Tax	40,000,000	19,661,000
Income Tax	35,000,000	9,143,000
Other War Taxation	17,000,000	1,133,000
Other Revenues	29,000,000	21,046,000

The $296,000,000 represented in receipts for the eight months would be at the rate of $444,000,000 for the year, or $63,000,000 in excess of the minister's estimate.

Interesting Comparison

An examination of the returns from the different sources for the past year shows some interesting differences from the year 1919. If the customs receipts until next April continued in the same ratio as up to the end of November, they would exceed the estimate for the year by nearly $20,000,000, but, notwithstanding the fact that the increase for the eight months was over $20,000,000, it is expected that the remaining four months of the year will show a considerable falling off in customs receipts. Indeed, some of the customs houses are said to be already remarking this. Excise for the eight months does not quite maintain the average estimated; postoffice comes very close to doing so; railways seem to exceed it considerably, although the basis of comparison here is not satisfactory. In fact, an unknown but supposedly large railway deficit is one of the items which may throw out the budget calculations considerably.

Business Profits Tax

The business profits tax is apparently lagging far behind, but the January returns on this should be very large and help to bring up the average close to the estimate. The income tax is also very far behind the

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Review and Outlook

WITHOUT any tendency to undue optimism or to ignore the trade, industrial and financial problems of the period of readjustment, the investigations which THE FINANCIAL POST has made and the contributions which have been received from financial and business experts in the compilation of this Review and Outlook number, indicate that the bottom of the depression has been reached, in many of the fundamental industries. In many lines unsettled conditions will continue indefinitely, but the spring or early summer should see a more plentiful supply of money and if a stable basis as to construction costs can be reached, there will undoubtedly be a resumption of building on a large scale which will relieve the present condition of unemployment in the industrial centres.

The tendency to get down to "bed rock" is now more general following the holiday business. This is a healthy tendency because, as indicated in the last issue of THE FINANCIAL POST, reports from nearly seven hundred bank managers in all parts of Canada were very much divided on this point and in some centres there has evidently been a tendency to hold prices up as long as possible. This as has frequently been emphasized in these columns is a short-sighted policy which is likely to lead to larger losses eventually than if replacement cost is considered as a basis for time to time adjustments.

Stop This "Buyers' Strike" Talk

Nothing is doing more to-day to depress business than the talk of a "buyers' strike." Bank managers, leaders of associations, manufacturers and merchants—and all business leaders—should stop making references to it. It is a catch phrase born of the times and newspaper publicity and has no meaning—business knows of no such a thing.

While it is not hard to understand the wide publicity which has been given to the so-called "buyers' strike" by the newspapers which seek to cater to public feelings rather than public good, and while merchants have been protesting widely against it, it is not difficult to appreciate the attitude of the people. Prices had been advancing over a long period. When the reaction came—as was inevitable—there was a tendency to wait for the bottom figure. The more the merchant complained the stronger became the resistance of the public. This is simple psychology. No one wants to buy above the bottom of a falling market and no one wants to wait for the top of a rising one. The great majority buy more freely on a rising than on a falling market. Any student of the stock exchange is well aware of this. Also he is aware that the efforts to sell stocks on a falling market have the effect of making the public shy. It is much the same with merchandise.

The best way to meet the present situation is to adjust business activities to prevailing conditions so far as possible. Confidence on the part of the manufacturer, the wholesaler and the retailer will find a reflection in public opinion. Customers should be kept well informed with regard to price trends. The purchase of some lines may well b[illegible] and on others caution may be a better policy. But to complai[illegible]itude of the public and blame the buyers' strike for con[illegible]ke the bargain hunters look for still lower prices—pric[illegible] edly react to some extent at least from the bottom.

Contents of thi

IN addition to articles reviewing the imp[illegible] of the year from the standpoint of the [illegible] ence to the stock and bond markets, bank[illegible] change, real estate, national financing, poli[illegible] been made in this Review and Outlook num[illegible] up studies of various trades. This has be[illegible] of editors and special writers for various [illegible] publications. These specialists spend their [illegible] ditions in their various fields of activity an[illegible] tact with the leading business men of the [illegible] mary of contents:

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STOCK MARKETS AGAIN DEVELOP WAVERING TONE

Brisk Rally At Year's Close Has Not Been Sustained

UNCERTAIN OUTLOOK

Fair Volume of Investment Buying in Evidence—Stocks Selling at Low Levels—Victorys Active

The moderate rally which featured last week's market gave rise to the impression that the long period of depression was perhaps ended at last and that the markets were on the way to a brisk revival has not been sustained. The markets again developed an uncertain tone with the price trend at present in no very definite direction. This week's markets were, however, featured by a good deal of investment buying, but not of sufficient volume to stimulate any pronounced bull movement. In the face of the continued pressure to which stocks have been subjected for several months past, and to the fact that the great majority have been forced to levels that are decidedly low, the impression now generally prevails that any further movement will of necessity be in an upward direction, and that the present is therefore a good time in which to buy stocks.

The list this week was somewhat broader than of late. The papers with one or two exceptions were largely neglected, and failed to give a demonstration of strength. The tractions were again prominent, and several members of this group underwent a substantial appreciation. A good deal of uncertainty exists regarding the industrials, in view of the generally unsettled state of busi-

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Head Office: Montreal Established 1864

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Reserve Fund ....$8,660,774 Total Assets (Oct. 30, 1920), over $209,000,000

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APPEAL AGAINST LUXURY TAX ON CONFECTIONERY

Arguments of Manufacturers On Behalf of the Industry

THE RETAIL TRADE

Retailers are Being Affected And the Question of American Imports is Also Involved

That the products classified by the Finance Department under the heading of "confectionery" are not a luxury, but a food and a necessity is the stand taken by the Association of Confectionery, Biscuit and Chocolate Industries of Canada in their appeal to Sir Henry Drayton that the luxury tax be removed from their product. The delegation which waited upon the Finance Minister was fully representative of the industry and undoubtedly tabled information to indicate that the application was based on sound facts and broad principles.

In a word, the confectioners feel that they have been discriminated against in that, under the provision of the recent repeal of the tax, their products were excluded and held subject to taxation while such articles as diamonds, Persian rugs, furs and jewelry are made free of tax.

At first blush, confectionery products might well be considered a luxury, especially so if compared to clothing, meats or staple foods; when compared to high priced articles of attire or furnishing or personal adornment, there is another viewpoint established.

Morden Neilson, of Wm. Neilson, Ltd., Toronto, points to the statement that the Government had removed the tax because it had served its purpose, and was causing unemployment. Mr. Neilson further argues:

"We respectfully desire to point out that the tax has had the effect of reducing sales in our business, and that it is not due to the present somewhat hard times that we are suffering. Our business is not one that suffers from hard times to the same extent as many others. We claim that the tax is directly responsible for our present condition.

"Since the tax was imposed, our sales have so fallen that our staff has been reduced until now it is only 52% of what it was one year ago, in spite of the fact that November and December are the busiest months of the year. The tax came in May, and in June, one month later, our staff was reduced by 8%, in July by 17%, in August by 27%, and so on until now it is only 58% of what it was in May.

"You have given as a reason for removing the tax that automobile manufacturers promise to employ a large number of people, because their sales will increase if tax is taken off.

The same claim can be made in our industry. In Canada there are 20,000 people in the confectionery industry; therefore, if these have been reduced 50%, then 10,000 are out of work, and where can they look for employment now?"

"We understand it is the opinion of the Finance Minister that the tax should rest lightly on us because the price of sugar has dropped so much. We would say that of the various articles that go to make up our product sugar is only 14%. Again it must be remembered that the price of candy did not go up in proportion to the cost of material and labor, the manufacturer absorbed these so as not to demoralize his business, realizing that the public will not pay more than certain prices for these goods."

Retailers' Standpoint

Some criticism has been made that a removal of the tax would cause a loss to many retailers who have already made payment of the tax on stocks in hand. It is maintained that adjustment can be managed in such cases and that inasmuch as the demands of Christmas and New Year's has largely depleted the stocks in retailers' hands, the time is obviously opportune to make the change. The retailers, as well as the manufacturers, have felt the reduction of sales resulting from the tax and correspondingly cannot but benefit through any action that will stimulate their trade. There are approximately 77,000 stores in Canada that either wholly or in part handle confectionery, many employing more than one hand. Outside, therefore, of the manufacturing problem, the retail trade, which is undoubtedly in need of all reasonable support at this season, stands to benefit.

Export and Sugar Situation

In some quarters it is openly expressed that the relief, as requested by the confectioners, should be quickly granted because of its effect on the sugar situation. It is argued that in view of the effects of Government control any action tending to relieve the strain on the refineries merits the fullest consideration on the part of the Government. The export and import problem is also affected. At present jams, figs and candied fruits, etc., enter Canada and are sold without any Canadian luxury tax being collected, or rather it is collected by the American Government at point of manufacture, but is paid for ultimately by the Canadian consumer. A removal of the tax would therefore afford Canadian manufacturers a distinct advantage in an export market and would at the same time, on a basis of price competition, tend to discourage imports from the States.

CONDITIONS IN FISH INDUSTRY OF EAST

Experiment of Government Guarantees in Newfoundland—No Failures in N.S.

By Resident Representative.

HALIFAX. — Newfoundland has suffered heavily in respect to business failure owing to the demoralized condition of the fish trade and the decline in the foreign markets. The report from Newfoundland is that there were 44 failures with liabilities of $1,722,365, compared with which were assets of $1,063,784.

The government's guarantee that Newfoundland exporters should not be allowed to lose at any figure bought below $8 per quintal has helped the situation there, but how long this will last or how much it will save in the long run remains to be seen.

Almost the same conditions prevail in the fish trade of Nova Scotia as in Newfoundland, but so far no failures are reported. The firms engaged in the business are strongly entrenched and accumulated resources during the good years of the war. Lunenburg is a heavy loser this year, but no part of the province is better able to stand a period of depression and even of loss than the thrifty and shrewd men who are engaged in the bank fishery and the business of outfitting there. The savings bank deposits in Lunenburg are greater per capita than anywhere else in the province and the past three years were wonderfully profitable.

STOCK EXCHANGE DEALINGS DECLINE

Toronto Market Record for 1920 Reflects Effect of Adverse Conditions

The record of dealings on the Toronto stock exchange for the year just closed reflects in some measure the adverse conditions encountered and which became a dominant force in the later months of the year. Stock transactions reached a total of 620,699 shares as against sales aggregating 746,606 shares in 1919, and 341,782 shares for the previous year. Bond sales reached a total value of $27,836,000, which was a rather extensive decline from the figure of $79,582,050 for the previous year. Government bonds, of course, made up the great bulk of the bond sales and the fact that government control of the sale of Victory bonds extended from March until the latter part of November accounts for the heavy slump from the record of the previous year.

The largest volume of transactions in stocks was recorded for the month of January when 105,746 shares changed hands. During the first six months of the year the monthly sales remained at substantial figures. During August, September and October the lowest ebb for the year was reached, when general conditions were so unfavorable as to discourage stock exchange dealings. In the later months there was considerable forced selling. Bargain hunters, too, got in some good work, and helped to swell the total volume of sales.

The figures reproduced below indicate in some degree the importance of Toronto as a market centre for Victory bonds. In the last month of the year when control was off the whole period, bond sales totalled $11,338,700. This compares with $6,807,750 for January, and $2,298,800 for February.

The following table shows the volume of transactions in stocks and bonds during the past twelve months:

	No. shares. Stocks	Bonds.
January	105,746	$ 6,807,750
February	92,728	2,298,800
March	64,639	2,294,450
April	53,227	490,800
May	36,587	546,200
June	61,883	666,500
July	40,674	352,900
August	36,634	392,900
September	33,999	470,000
October	39,291	547,800
November	49,802	1,630,100
December	54,822	11,338,700
Total	620,699	$27,836,400

Subjects of Great Britain resident in Canada are not entitled to inherit real or personal property in the United States under existing treaties between this country and Great Britain until formal notice has been given, as required by the treaty, the Supreme Court holds.

WORKERS RECEIVE $70,000 AS THEIR SHARE OF PROFITS

Ingersoll Firm to Continue Profit-Sharing Plan Another Year

SCHEME A SUCCESS

Twofold Object—To Increase Production, and to Establish Basis for Fair Distribution Profits—Business Outlook

Under a profit sharing scheme adopted one year ago by the management of the John Morrow Screw and Nut Company, Ingersoll, Ontario, the employees of the company during the first eleven months participated in profits to the extent of 22 1-2 per cent. of their wages, and the distribution at the close of the year is estimated at $77,000. The scheme was adopted with a two-fold object in view, to secure increased production, and to find a method that would make possible a basis for a fair division of earnings of the company's plants as between the employee and the shareholder of the company.

Notwithstanding the altered business outlook in the new year as compared with conditions existing a year ago, the profit sharing scheme will continue, and the employees were apprised of this fact by letter at the close of the year. The letter contains a frank statement of the purposes of the scheme and its effect and reception during the first year of operation. The plan has been satisfactory in results to all concerned, it is pointed out. The basis adopted was of necessity somewhat experimental at the time of its adoption. Not a complaint worthy of the name had been heard against either the basis upon which the bonus had been paid or against the administration of the system. The following comment is offered upon the business situation at the present time:

WAGES MAY COME DOWN

Our company has been among the more fortunate of the manufacturing establishments, in that we have been able to secure orders enabling the plants to keep running at full time in some departments, and part time in all departments, up to the Christmas holidays. Prices are declining in nearly all lines, and of course it is possible wages may have to come down in keeping. We are not without hope that a revival of business is at hand, but in the meantime we make an appeal to every employee of the company to continue and if possible to redouble his or her interest in the company's welfare. The bonus system has served to make us partners in the organization, not only in name and spirit but in fact as well.

The management has carefully reviewed the operation of the bonus plan, the letter continues. The fact that reduced sales of necessity increased relatively the administration and overhead costs could not be overlooked. But the decision had been reached that if the same whole-hearted support and co-operation was accorded the scheme could be made to succeed in times when business was slack as well as when orders were more easily obtained. With this object in view, therefore, it was decided to continue the profit sharing scheme during the present year.

THE STEEL OUTLOOK

Dealers Do Not Look For Immediate Renewal of Buying

The year 1921 starts off quiet in the machine tool, iron and steel markets. Dealers are not expecting a renewal of buying at once, but a number of them will go as far as saying that conditions are not getting any worse, and from this they reason that the peak of the trouble has been reached. Cancellations have been asked for in a number of instances, but the majority of these have not been granted.

One Canadian mill has started one of its bar mills in operation this week. This will roll largely for stock. Buffalo mills are in here making a strong bid for bar iron material just now, and the Canadian mill is called upon to meet this competition. Sheets are selling in fairly large quantities, but the best business just now is being done in tubes.

The Corporation mills continue to roll steel at about 92 per cent. of their capacity, while many of the independents are idle. Pittsburgh reports have many guesses regarding the matter of wages, the one carrying most weight being that wages might be cut right now by some of the independents were they not afraid that a reduction in wages would lead to a demand on the part of the buyers for cheaper steel.

A new scale of rates for gas will go into effect at Ottawa January 1, according to information made public this week. The new price will be $1.00 per thousand, which is an advance of 10 cents per thousand over the present rate.

THE UNION BANK OF AUSTRALIA, LTD.

Established 1837. Incorporated 1880
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Paid-up Capital ...£2,500,000
Res. Fd., £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
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VOTE AT SCARBORO MUNICIPAL POLL WAS SIGNIFICANT

Hydro Machine Failed to Break Faith in Reeve Stewart

OPPOSED BY-LAW

Took Attitude That Township Should Not Endorse Radial Railway Ahead of Sutherland Report

The results of the township election in Scarboro should have a peculiar interest for municipalities all over Ontario because of the issue on which it was fought and of the decisive verdict. Scarboro, lying just east of Toronto, is one of the townships through which the Hydro-Electric Power Commission proposed to pass with a hydro radial from Toronto to Bowmanville. This line, known as the Toronto Eastern, was projected by private interests and was to have been built for less than $2,000,000 as a feeder for the Canadian Northern Railway. When the latter system passed over to the Canadian government the Toronto Eastern right of way and such parts of the road as had been built went over to the public also. The Hydro Commission planned to buy it from the Dominion government for $706,000 and then spend several millions on completing and equipping it. The total Hydro outlay on this scheme, for which the Ontario government was asked to endorse bonds, was $8,360,794. Of this amount, the township of Scarboro's share was put at $892,686, and a by-law was submitted to the electors in 1919. The Hydro Electric Railway Act, under which the vote was taken, stated quite clearly that a majority of the electors qualified to vote on money by-laws was necessary to carry it. After the polling took place it was found that the requisite number of votes cast was 900 less than the act required. It is obvious, of course, that the by-law was not carried according to law.

Legislation as Usual

When this was discovered the Hydro went to the Legislature early in 1920 and succeeded in getting the Hydro Electric Railway Act of 1916 amended so that it would read that only a majority of those actually voting was required. The purpose of this was to legalize a vote which was insufficient a few months before. Armed with this validating legislation, the Commission early last summer asked the municipalities along the Toronto Eastern route to issue debentures and deposit them with the Commission. When the request was put up to the Scarboro Council, H. E. Redman, township solicitor, advised against the passage of the debenture by-law on the ground that the people voted under the terms of the Act as it stood in 1919, not what was put through in the Legislature in 1920. He held that another new condition had arisen also, inasmuch as Sir Adam Beck had told the ratepayers before they voted that they would have no direct liability because the Ontario Government would guarantee the bonds. It turned out, however, that the Drury Government would not endorse them until after a Royal Commission investigated the whole Hydro Radial programme and reported. These two features led a majority of the Scarboro Council to believe they had no authority to vote away over $800,000 of their electors' securities until the endorsation point was definitely settled.

Stewart Beats Machine

The fearless and unflinching attitude taken by James Stewart, as reeve, and therefore head of the municipality, aroused the displeasure of radial promoters and they organized a big picnic in August last, at Birchcliffe, which is in the township, at which speakers poured out much spleen against the men who would not bow their knees. A section of the Toronto press likewise undertook to create a public prejudice against Reeve Stewart and his associates, which, it was hoped, would sweep them off the map. W. H. Patterson got into the field as an out and out Hydro candidate for the reeveship and frantically waved the Hydro flag. Toronto papers aided him with columns of space intended to hurt Stewart, but when the votes were counted New Year's night the confidence of the electors in the reeve was reflected by the handsome majority for Mr. Stewart of 434.

Scarboro has evidently come to the conclusion that it will not be bludgeoned into subserviency, nor be told, by outside speakers from Toronto and Brantford, who it must elect.

FALL GRAIN SHIPMENTS

The Lake Shippers' Clearance Association reports the total shipment of grain by boat from Port Arthur and Fort William from August 1 of the present year to the close of navigation at 108,439,978 bushels, made up as follows: Wheat, 93,779,898 bushels; oats, 7,453,549; barley, 4,056,216; flax, 1,655,318, and rye, 1,494,496 bushels. The total of grain shipments during the fall navigation period of the present season compares with the figures of other years as follows: 1919, 72,854,212 bushels; 1918, 53,329,875; 1917, 109,274,318; 1916, 136,979,209; and 174,591,545, the record year.

RICH CARGO FROM BRITISH COLUMBIA

Five Million Feet of Railroad Ties for the United Kingdom

By Resident Representative.

VANCOUVER. — The most expensive cargo of British Columbia lumber which has ever left the port was that of the SS. City of Victoria, of the Canadian Western Steamship line, for the United Kingdom. This boat has on board 4,906,962 feet of railway ties and crossing timbers for the British railways, and will be discharged at Garston and Birkenhead. This load includes a winter deck cargo.

Some years ago larger loads are reported to have been shipped, but the prices of lumber and freight rates were much lower than today, with the result that the cost of the cargo was not much more than half of the shipment made last night.

This cargo is Canadian grown and cut, is on a Canadian-built ship constructed in the Coghlan shipyards, and the shippers are Canadians, H. R. MacMillan & Co. The cargo was consigned to the London and North Western Railroad at Birkenhead and the Great Western Railroad at Garston, and carried sufficient railway sleepers for 66 miles of single track railroad. These sleepers will be creosoted after their arrival in England and are expected to serve the British traveller and shipper for a quarter of a century.

MONEY RATES HIGH IN GREAT BRITAIN

Canadians Must Do Their Financing on This Side of the Atlantic

Sir William Mackenzie, recently returned from a business trip to England, the purpose of which he did not divulge, emphasizes the necessity of Canadian corporations doing their financing on this side of the Atlantic for some time to come. Exchange conditions are such, he points out, as to render it distinctly disadvantageous for Canadians to finance undertakings in England. Not only is the exchange rate an almost insurmountable barrier but in England itself money can be raised only at high rates of interest, ranging around 8 and 9 per cent. for ordinary corporation loans.

As elsewhere, there is a scarcity of money for business in England, but Sir William points out that a large amount would be available for investment in Canada if conditions were so readjusted as to render it profitable for Canadians to negotiate loans on the other side. Speaking of general industrial conditions, he stated that the outlook in England was beclouded with uncertainty.

Not only was industry generally stagnant, with a great volume of unemployment, but in the present situation there was little indication for a favorable readjustment in the immediate future. Labor was still exacting too large a proportion of its output in the form of wages, and until there was a lowering of wages production costs and therefore commodity prices could not come down. At the present rates of wages, goods, he pointed out, could only be produced at and sold at prices which the average purchaser was unwilling to pay.

Speaking of the British Empire Steel Corporation, Sir William stated that the merger in its original form was off. Negotiations were now under way in England for the formation of a smaller merger, in connection with which the Dominion Steel Corporation and the Nova Scotia Steel & Coal Company, Limited, were prominently mentioned. It was quite possible, Sir William pointed out, that in the case of a new agreement being reached, many of the smaller subsidiary companies which figured in connection with the former negotiations would not be considered further. The Canada Steamship Lines, he declared, would not be a member of any new incorporation that might be arranged.

RUSH INTO OIL FIELDS OF NORTH IS ANTICIPATED

But Prospectors are Advised Not to Expect Too Much

COMMERCIAL VALUES

Professor Allan of University of Alberta Warns Against Big Results From Discoveries to Date

By Resident Representative.

EDMONTON.—According to Dr. J. A. Allan, professor of geology in the University of Alberta, there are 300,000 square miles of oil-bearing formations in this province and the Mackenzie territory. This total area, he says, is likely ground for petroleum deposits, but it [illegible] yet to be prospected, less than a dozen districts having to date been put on the really hopeful list. Particularly because of the favorable results recently obtained in prospecting for oil, more attention is now being turned toward the mineral resources of the North. Not only oil is being considered, however, for through the investigations for petroleum more detailed information is being secured in regard to various other mineral resources.

But the oil at Fort Norman is of no particular commercial value at present, it is pointed out by Prof. Allan, because no mineral deposit can be of economic value till its product can be laid down at distribution points at such a cost that it can compete with similar products from other parts.

"It is ridiculous to think," he says, "that oil can be brought out to the nearest transportation centre, Edmonton, a distance of 1,200 miles by the river route, at a figure that will warrant undertaking the problem at the present time. There is no occasion for a pessimistic view about the future development of the northern oil industry, but a sane, well directed effort should be made to determine the extent of the petroleum fields and the quantity of oil that is available. With further drilling in the lower Mackenzie district it will be possible to trace the oil-bearing horizons southward and so to ascertain their extent. It would be unfortunate if a stampede resulted. We want the country developed, but it will not be developed by opening real estate offices for obtaining and transferring oil leases. The only way is to keep on drilling till we know the actual facts as to what nature's reservoir has in store."

A Boom in Spring

Notwithstanding this warning from the leading geological expert in the province, there is likely to be something of a stampede into the Mackenzie oil country next spring. One hears talk of likely prospecting expeditions on every hand, would-be investors in Edmonton and Calgary being particularly eager to enter the field. At least one party of oil-hunters is being made up in Texas, with intentions of going north in February.

A half-dozen adventurers have already set out by dog-team from Fort McMurray, taking the same route and at the same time as the winter mail to the Arctic. They passed a careful examination before the Royal Canadian Mounted Police, who are allowing none but those physically and mentally fit, and properly outfitted, to undertake the long overland journey. It will be the middle of January, or later, before they reach Fort Norman, and when there they will stake claims for various business interests, including in one or two cases some eastern investors.

Faster travelling methods than dog teams, however, are to be employed in the near future in getting into the oil country. Two J. L. 6 airplanes, of all-metal construction, have arrived here from New York for the use of the Imperial Oil Company, which will in this way transport its men and possibly some of its supplies to the Fort Norman and Great Slave Lake fields. By arrangement with the Canada Air Board, the geologists to be sent out by the Survey Department will also be carried to their fields of work by the air route. Peace River will be the southern terminus of the route, and landing facilities are to be provided there at once. Such a method of transit in the far north is declared to be entirely feasible, and its adoption will mean a great saving of time to the Imperial Oil Com-

Continued on page 40.

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NEWSPRINT MILLS SEEM ASSURED OF ALL-YEAR PROFITS

Even At $100 a Ton Net Earnings With Exchange Would Be Record

NEARLY ALL CONTRACT

Practically No Canadian Newsprint Sold to Jobbers—All Production Has Been Consumed

By Resident Representative.

MONTREAL.—There was evidence this week of some feeling of uncertainty among investors in newsprint mill securities over the possibility of a decline in the price of paper from the present rate of $130 per ton after the first of April. It would not be surprising if the price for the rest of the year should follow the general tendency and fall off. Even if it should drop again to $100 a ton, and no one connected even with newspapers whose opinion was available believed it would go below that—the mills would be producing at an excellent profit. During the early part of 1920 the price for most of them was considerably less than $100 a ton, and yet the profits for the year 1920 ran up sharply above those of any preceding year in the history of the industry. Even if a very sharp reduction comes in advertising, there is nothing to indicate that the present production in Canada and the States will create a surplus of newsprint.

Moreover one of the most important points in the situation is that the mills are in the unusually advantageous position of knowing exactly the requirements of their business month by month, and also the production each month of all the chief producing mills: so that they have an effectual remedy against the possibility of any surplus of newsprint ever occurring, and do not stand to lose, as do most industries, by a depreciation in their inventories.

Production of 810,209 Tons

That the demand is being maintained in Canada's great export mart, the United States, is indicated by the figures for the month of November compiled by the Newsprint Service Bureau, covering forty-five of the largest newsprint mills in Canada and the United States. This record shows that the production for the eleven months ending November 30 last, in Canada, amounted to 810,209 tons, as compared with 737,358 tons for the corresponding period of 1919, or an increase of ten per cent. At the same time it is established that not only was all of this shipped to customers, but the surplus was even less than one year ago, and a neglible quantity at that. In the United States the production in the same period was 1,152,077 tons as compared with 1,101,990 tons in 1919, again an increase, and more than this total was consumed in that period.

Taking the market as a whole trade reports from New York indicate that of the pulps bleached sulphite is in a better position than any other, although all are quiet; in the papers book paper shows more activity than any other except newsprint which easily leads. In chemical pulp, that is bleached and unbleached sulphite, foreign stock is available at a falling price, while domestic prices tend to hold firm.

Little "Spot" Canadian Paper

The manufacturers take exception to Miss Laut's assumption in her article in last week's issue: that is, that a large portion of Canadian newsprint exported to the United States went into jobbers' hands and finally reached the consumer at a cost of as high as $360 or $380 a ton. As a matter of fact probably 95 per cent. of the newsprint leaving Canada is sold under long-term contracts directly to the consumer. This applies to the large producers such as Laurentide, Spanish River, Price Bros., Abitibi, Brompton, St. Maurice, Donnacona, etc., all of whose production goes to the publisher direct, and at a maximum price of $130 a ton, and a price last year averaging less than $100 a ton. Nor does a spot market at half 18 cents per pound exist. In fact the ability of the average newspaper to make contracts for the whole of 1921 has practically destroyed the spot market.

In dealing with the price situation Royal Securities Corporation in "Investment Items," writes:

Future Prices and Profits.

"It is quite possible, and even to be desired, that the market price of Canadian newsprint paper may, in the next few months, show some reasonable reduction, so that it may not be entirely out of line with the world-wide decline in commodity values to more normal levels. Particularly is it to be desired that the high level of "spot" newsprint prices prevalent during the past year, which was so greatly in excess of contract prices, may not prevail again. We are convinced, however, that present prices are profitable to manufacturers of Canadian newsprint paper, and that even at reduced prices, with accompanying reductions in labor and other costs, the manufacture of newsprint paper will continue to be most profitable to Canadian manufacturers of this commodity.

"As for the future market for our other pulp and paper products, groundwood pulp, bleached and easy-bleaching sulphite pulp and kraft pulp, it is our belief that following the seasonal slackening, which is now being experienced, the demand for these products will strengthen materially in the next few months, after having reached a somewhat lower and, therefore, a safer level of prices than those prevailing during the last few months of this year. When the new level is reached we look for the demand for all our Canadian pulp and paper products to be keener than ever."

ESQUIMALT DOCK CONTRACT TO LYALL

Work To Be Commenced at Once by the Big Montreal Concern

By Resident Representative.

VICTORIA.—The contract for the construction of the Dominion Government drydock at Esquimalt has been awarded to Peter Lyall & Sons Construction Company, Ltd., of Toronto, Montreal and Ottawa, and the work will be commenced immediately. Seven hundred men will be employed at the site early in the year, and a maximum of 2,000 will be engaged when the job is fully under way.

The Lyall tender was nearly $200,000 less than the Government estimate, being approximately $4,300,000. The tenders were opened by Hon. F. B. McCurdy, Minister of Public Works, and the contract awarded immediately afterwards. This is the culmination of negotiations that have been in progress for many years and which have at different times assumed many different aspects.

When completed the Esquimalt drydock will be the largest in the world, the dimensions being as follows: Length from caisson stop to head wall, 1,150 feet; width of entrance, 120 feet; depth on sill at ordinary high water spring tides, 40 feet; width at coping of dock walls, 144 feet. The drydock will be divided into two parts, 650 feet and 500 feet in length respectively. Each part will be closed by a ship steel caisson. The dock will be emptied by three centrifugal pumps, each having a capacity of 60,000 gallons per minute. The pumps and other machinery will be run by electric power generated by the dock power plant.

ST. LAWRENCE DIVIDEND

Feeling That the Bonus Payment May Be Discontinued for the Present

By Resident Representative.

MONTREAL.—With little improvement in the demand for flour for export the earnings of St. Lawrence Flour Mills, Ltd., are running behind those of last year, as they have been for the past four months. It is now considered likely that the bonus that has been paid for the last three years will be discontinued for the present, the company contenting itself with the regular dividend of 1½ per cent. for the quarter instead of 1½ per cent. and a bonus of 1 per cent., which gave a rate of 10 per cent. for the year. The stock at present prices is now around the levels of almost three years ago, shortly after it was listed. That the regular dividend of 6 per cent. is assured is the firm opinion of those in close touch with the company.

COCOA AND CHOCOLATE

A preliminary report on the cocoa and chocolate industry in Canada for 1919 shows that capital invested in the industry for the Dominion in 1919 was $5,201,523. The items of capital comprised land, buildings and fixtures, $1,240,720; machinery and tools, $993,909; materials on hand, stocks in process, finished products on hand, fuel and miscellaneous supplies, $1,760,762, and cash, trading and operating accounts and bills receivable, $1,206,132. Ontario accounted for $2,662,112, or more than 51 per cent. of the total investment, and Quebec and Nova Scotia combined for $2,539,411, or about 49 per cent.

LAURENTIDE PAPER

The second of the two new paper machines of the Laurentide Company started this week. The initial production is running about 120 tons daily, but will be worked up to about 150 tons, or 75 tons each.

BLACK LAKE ASBESTOS

Judgment has been handed down against the Black Lake Asbestos & Chrome Company, Limited, in connection with a suit brought against the company in 1916 by Frank Samuels & Co., on an $80,000 war contract for the delivery of chrome, which contract, it is alleged, was broken involuntarily as a result of the interference of the Canadian War Trade Board. The amount of damages to be paid by the defendant company still remains to be determined by the Master-in-Chambers, J. A. C. Cameron.

SILVER MINING BEING BOOMED IN THE YUKON

Expected to Compare With Gold Production of the Past

NEW CAPITAL COMING

Nearly a Thousand Claims Have Been Staked and Most of These Within Eighteen Months

By Resident Representative.

VICTORIA.—That a great silver-producing era has dawned for the Yukon that will compare favorably in importance with the various gold booms that have developed in that territory is the belief of experts who have investigated the situation within the past few weeks.

In the Mayo area, adjacent to Mayo City, lying in the Upper Stewart River country, 150 miles west of Dawson, new discoveries in silver bearing minerals have been reported and to such an extent that geologists believe the deposits run about twenty-five miles in length and ten miles wide. This area, which covers a spur of the northern Rocky Mountains, is said to be rich in galena. Outside this belt the indications are also said to be bright, but without considering these other possibilities, there seems no doubt that the Mayo zone is one of the richest and most promising silver regions on the continent.

New capital is steadily flowing into the Yukon for the development of these fields. There are eight distinct hills in which the precious white ore has been found in large quantity and development is well under way. Nearly a thousand mineral claims have been staked on these properties, the greater number of which have been registered within the past eighteen months. These centers are known as Keno Hill, Lookout Mountain, Stand-to Mountain, Rambler Hill, Galena Hill, Galena Creek, Mount Hinton and Mount Cameron. Veins from several inches to five feet in width and even wider have been struck, and assays running as high as $5,000 to the ton have been obtained, assays ranging from $200 to $1,000 in silver and lead being common.

The most notable attraction in the Mayo Belt is Keno Hill, a massive plateau of silver-bearing rock extending eight miles in length and five in width. From practically every corner and side it is said that silver breaks to view on various outcrops, and it is stated that mining experts have located on this one hill no fewer than 200 veins, most of them bearing ore of rich silver and lead content. The hill lies west of Mayo City.

The most extensive actual mining operations on Keno Hill to date are those of the Yukon Gold Company, the pioneer big placer mining company of the Klondike, backed by the Guggenheims. Three of the six claims taken over by this company are now producing and the initial shipments are being made this winter.

MARITIME NAIL CLOSES DOWN

ST. JOHN.—The Maritime Nail Co., Ltd., is closing down, it is stated, for an indefinite period. The Maritime Nail Co., Ltd., was one of the companies included in the British Empire merger, and there is much uncertainty as to the future of the plant.

ATLANTIC SUGAR

This week Atlantic Sugar Refineries commenced refining again and had a rush of applications at a wage scale of 30 cents per hour as compared with the former rate of 42 cents. The company is running out of a supply of refined sugar and has begun refining some of the stocks of raws on hand when the refineries closed down, or received since as part of the commitments for which the company was liable.

BRAZILIAN

The November earnings statement of the Brazilian Traction, Light and Power Company shows gross amounting to 12,199,000 milreis as compared with 9,796,000 milreis for the same month in 1919, an increase of 2,403,000 milreais. Operating expenses amounting to 6,375,000 milreis were higher by 1,518,000 milreis, while net amounting to 5,824,000 milreis showed an increase of 885,000 milreis.

The aggregate gross for the eleven months ending with November was 122,306,000 milreis, an increase of 18,971,000 milreis over the corresponding eleven months in 1919. Net for the eleven months amounting to 64,308,000 milreis, increased 10,773,000 milreis. Following are figures showing the gross and net for each month to the end of November:

1920.	Gross (Milreis)	Net (Milreis)	Net inc. (Milreis)
January	9,655,000	5,101,000	827,000
February	9,381,000	4,984,000	1,120,000
March	9,900,000	5,810,000	297,000
April	10,245,000	5,595,000	499,000
May	10,985,000	6,262,000	1,045,000
June	10,874,000	5,796,000	919,000
July	11,745,000	6,118,000	729,000
August	11,837,000	6,152,000	1,267,000
September	12,043,000	6,217,000	1,208,000
October	13,442,000	6,940,000	1,977,000
November	12,199,000	5,824,000	885,000

WHALEN PULP AND PAPER

Large Increase in Earnings for First Eight Months

It is understood that earnings of the Whalen Pulp and Paper Mills for the year ending February 28 next will show a remarkable increase over the returns of the previous year. Net income for the first eight months of the year, according to reports, after fixed charges, including bond and debenture interest, but before taxes, were approximately $1,200,000. This figure is more than three and one-half times the amount reported for the preceding complete twelve months. During the eight-month period bond interest was earned approximately twelve times over, and debenture interest ten times over. After allowing for 7 per cent. dividend on the company's outstanding preferred shares, current earnings were at the rate of approximately 21 per cent. on the company's common stock.

RAILROAD EARNINGS

Earnings of the Canadian Pacific Railway for the last week of December totalled $5,540,000, as compared with $5,403,000 for the corresponding period in 1919, an increase of $137,000 or 2.5 per cent.

Why Public Utilities?

IT IS an axiom of investment that the time to buy is when the market is low.

The securities of Public Utilities are to-day selling at their lowest levels. Many experts are confident that they are now due for a rise.

The reasons for this confidence are fully dealt with in a booklet reviewing the Public Utility situation, which we shall be pleased to send upon request.

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63

THE STANDARD BANK OF CANADA
Quarterly Dividend Notice No. 121

A DIVIDEND at the rate of Three and One-Half Per Cent. (3½) for the three months ending 31st January, 1921, has been declared payable on the 1st of February, 1921, to Shareholders of record as at the 17th of January, 1921.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto, on Wednesday, the 23rd of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager.

Toronto, December 15th, 1920.

SIXTY-FIVE YEARS

is a long time in the history of this young Canada of ours, yet during all that period we have been safeguarding and assisting in the increasing of the savings of many thousands of Canadians. The steady progress the Corporation has made bears testimony not only to the confidence investors have in this old institution, but also to the unexcelled facilities we extend to depositors.

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Three and One-half
per cent. per annum, paid and compounded half-yearly.

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B. C. SHIP PRODUCTION

Steel Tonnage of 1920 Considerably Larger Than That of 1919

By Resident Representative.

VICTORIA.—Deadweight tonnage produced by the steel shipyards of British Columbia during 1920 was considerably larger than in 1919, according to the total figures just compiled, showing the 1920 tonnage to have been 83,000, while in 1919 it was 70,200.

The heaviest additional producer was the J. Coughlan & Son shipyard in Vancouver, which built to its own account as well as for the Dominion Government. Altogether, five freighters were built for the Canadian Government Mercantile Marine, Ltd., five cargo-carriers for Coughlan operation and a coasting vessel for the Union Steamship Company. The Harbor Marine Company, Victoria, built two steel 8,000 ton vessels, and Wallace Shipyards, North Vancouver, completed one during the year.

BYLAWS AT LONDON

The ratepayers endorsed bylaws granting $50,000 each to the Sick Children's Hospital and the Home for Incurables, but turned down a $100,000 proposition for the establishment of motor busses to take the place of an auxiliary street car system. It was generally felt that the scheme was more or less impracticable and with a ten-cent fare would not be a good business venture.

CUBAN MORATORIUM

According to a cable received by the Bank of Cuba at New York, the Cuban moratorium has been extended for 30 days. It expired on December 31.

RE "SECURITIES OUTLOOK"

On page 17 of this issue appears an analysis of the present position and the prospects of the principle. Canadian companies whose stocks are actively dealt in. The first company referred to is the Abitibi Power and Paper Company. In a number of copies of this issue, the name of the company, which should have appeared at the head of the analysis is left out.

The article reviewing the textile and men's wear trades, on page 26, is by E. De Witt Hutt, Editor of the "Men's Wear Review."

RAISE DIVIDEND FUNDS BY STOCK ISSUE IN CANADA?

Rumored That Management of Brazilian Contemplate Such Course

POSITION IMPROVES

Apply to Dividends on Common Stock—Overcome Difficulties of Exchange Situation In This Manner

With the new year Brazilian Traction has taken a turn for the better, and during the present week has moved up from 30 at the outset to a high of 32½ at the close. This latter figure is the highest quotation on this issue since the middle of the past month. Whether this latest movement has been merely in sympathy with the stronger trend of the market in the past week or so, or whether there are other contributing causes, is not clear at the moment.

The company's improved position is, however, indicated by the record of earnings for the past year, the monthly statements showing net earnings for each month considerably in excess of the returns for the corresponding months of the previous year. In view of this situation interest has again revived in connection with the matter of dividends on the common stock of this company. Reports on this subject are conflicting, it being intimated in some quarters that there is little or no likelihood of dividends, in view of the unsettled conditions existing in Brazil, for at least two years. On the other hand, a report is in circulation which, while its authenticity cannot be officially confirmed, is regarded in some circles as a fairly accurate interpretation of the course that the officials of the company now have under consideration. Rumor has it that in view of the heavy financial requirements of the company to take care of necessary expansion, and also because of the fact that the present exchange rates on Brazilian funds render it unprofitable to transfer these funds to Canada, the management is contemplating a stock issue in this country, the proceeds to be used as a dividend disbursement upon the common stock, the inference being that by this means the company can carry out its obligations to shareholders, with a minimum of loss. The rate of dividend is even mentioned at 6 per cent. It is obvious that the company's earnings and its financial position have improved to such an extent that the payment of dividends would be practicable if general conditions were more favorable.

Question Up Before

It is understood that this question was taken up at the last annual meeting in Toronto, but was opposed by some of the larger stock holders on the ground that there was already a sufficiently large amount of stock outstanding. President Sir Alexander MacKenzie held out promise at that time of a resumption of dividends when conditions were so adjusted as to render it practicable to finance developments in the public market rather than out of earnings.

The authorized ordinary stock of the company stands at $110,000,000 and the amount outstanding totals $106,566,300. To meet the dividend for one year at the rate of 6 per cent. mentioned, the company would have to raise something more than $600,000. Dividends were last paid on this stock on March 1, 1917. The rate at that time being 4 per cent. The common formerly carried dividends at the rate of 6 per cent., but the reduction was made in 1915.

The stock of Brazilian Traction is widely held, not only in this country but in Great Britain and Belgium and France. The question of dividends has occupied considerable attention throughout the past year. In the early months there was a good deal of expectancy that dividends would be resumed before the war expired, but this hope was ultimately crushed. The stock in December slumped to the lowest point on record at 28. Whether the turn will be sustained remains to be seen.

PORTO RICO

The Porto Rico Railways Company reports gross earnings for the month of November amounting to $122,221, an increase of $27,333 or 28 per cent., over the figures for the same month in 1919. Net for the month amounting to $58,496 was higher by $23,065 or 65 per cent.

For the eleven months ending with November the gross totalled $1,273,461, an increase over the corresponding eleven months in 1919 of $243,096 or 23.5 per cent., while net amounting to $519,112 showed an increase of $117,868 or 29.3 per cent.

CANADIAN COLLIERIES

Big Contracts With Canadian Pacific Are Confirmed

By Resident Representative.

VICTORIA.—J. M. Savage, general manager of the Canadian Collieries, Ltd., has confirmed the report of large coal contracts being awarded for the Canadian Pacific steamship services. Steam coal up to 25,000 tons a month will be used on the trans-Pacific and British Columbia coast service vessels during 1921, according to the [illegible] of a contract just consummated—one of the largest in the history of Vancouver Island's coal industry.

It is stated that, as a result of this new contract, the output of the Canadian Collieries will be increased about 25 per cent., based on 1919 figures, or about one-fifth as much again as the total production of Island collieries that year.

NEW STOCK ISSUE FOR CONSUMERS' GAS

Much Public Interest in Offering—The Company's Record

The Consumers' Gas Company of Toronto is disposing this week by public tender of the remaining portion of its capital stock, amounting to 12,786 shares, of $50 par value. The stock is offered in lots of ten shares each, or multiples of ten, and one lot of six shares. There was much public interest in this issue, many tenders being submitted. In connection with the issue the company points out that the dividend rate of 10 per cent. per annum is a first charge on the operations. The company has been established 72 [illegible]ars and has never failed to meet its quarterly dividends in all that time. This issue was foreshadowed at the annual meeting and is being offered to provide capital for necessary extensions.

The dividend rate has stood steadily at 10 per cent. since 1874. Between the years of 1858 and 1873 it remained at 8 per cent. and from the formation of the company in 1848 until 1857 the rate was 10 per cent. The price of this stock on the Toronto Exchange has fluctuated in accordance with the variation of interest rates. Ten years ago the stock sold as high as 207, thereby bringing the return slightly under 5 per cent. Last year it ranged from 150 down to a low of 125, closing however at 131½. An increase in the price of gas to consumers went into effect toward the close of the year, from $1.10 to $1.25 per 1,000 cubic feet. This increase, together with the fact that the operating costs are coming down, should assure a comfortable financial position for this company during the present year.

OTTAWA ELECTRIC IS IN GOOD SHAPE

Manager States No Ground for Criticism—Labor Opposes Municipal Purchase

The following reference to the Ottawa Electric Railway appeared in last week's issue of THE FINANCIAL POST: "Owing to the uncertainty regarding its franchise, the present owners have done little or nothing for some time in the way of extensions, some of which are very necessary; and the rolling stock and equipment are also getting in pretty bad shape. The owners have been making good profits out of the road for a number of years."

F. D. Burpee, manager of the company, takes exception to some of these criticisms and has submitted the following statement outlining the company's position:

The stock of this company is held by shareholders residing in Ottawa, Montreal, Toronto, Winnipeg, Vancouver and other cities in Canada. The business is directly controlled by Messrs. Ahearn and Soper of this city. The company naturally refuses to build extensions and add to the equipment on a franchise which expires in the course of a little over two years, but it always has been, and is, our policy and practice to maintain the plant in its best possible shape. According to an appraisal made last year by Dr. Herdt, of Montreal, and his associates, the condition factor of our physical assets is 75 per cent., meaning a present value of 25 per cent. less than the replaceable value of these assets.

Your correspondent had no grounds for making a statement that the plant is not in good shape. If he reads our local papers he would have seen a number of letters published recently highly complimenting the present management on the operation of the road and the conditions of its equipment.

The present value of our physical assets according to the appraisal referred to above was approximately $6,000,000. The dividends paid by the company do not amount to 5 per cent. on that valuation. The statement that labor is generally for public ownership of this utility in Ottawa is not borne out by the vote on the purchase of street railway, which resulted in the by-law being defeated by nearly two to one.

C. P. R. INTERESTS TO CONTROL GRANBY

That is Effect of Interesting Report on the Pacific Coast

By Resident Representative.

VICTORIA.—Pacific Coast mining and industrial circles generally have shown interest in reports current lately to the effect that the Canadian Pacific Railway is negotiating for control of the Granby Mining, Smelting [illegible] Company, one of the [illegible] copper [illegible] British Columbia, operating mines and a big smelting plant at Anyox, and also holding and working extensive coalfields on Vancouver Island at Cassidy's Landing, near Nanaimo.

Officials of the Consolidated Mining and Smelting Company at Trail, in which Canadian Pacific capital is dominant, have been at Anyox recently examining the plant and making general investigation of conditions there, and no attempt has been made to hide the fact that the Consolidated is eager to develop new copper claims, notably in the Sunlock and Old Sport groups on Vancouver Island.

Owing to the high cost of coke, transportation and other factors, the company has to contend with at its interior plants, the Consolidated is said to be anxious to establish smelting facilities on the coast so that effective competition may be offered the smelter in Tacoma, Wash., which is controlled by the Guggenheims.

TORONTO RAILWAY

Moves Up Again—Look for Early Clean-up of Mackenzie Interests

The [illegible] vote [illegible] the citizens of Toronto on New Year's day favoring the purchase of certain of the Mackenzie radials and power interests revived interest in Toronto Railway on the stock exchanges. In a large turnover this stock has again moved up, and at 64 narrowly approaches the record price for the last year reached early in December, when negotiations for purchase were completed.

The people have spoken decisively on this matter and the belief is now prevalent that municipal authorities will not delay until the expiration of the company's franchise in August next before taking over and assuming control of the remaining interests. The speculative interests have thereby been aroused to action in the expectation that earlier estimates of the ultimate value of these securities, placed according to unofficial estimates at considerably more than the present market value, will be reached earlier. The movement this week may be partially attributed to the more favorable sentiment that developed throughout the market list as a whole.

BARCLEONA

The Barcelona Traction, Light and Power Company reports gross earnings for the month of November amounting to 3,163,105 pesetas, an increase of 757,011 pesetas over the figures for the same month in 1919. Operating expenses amounting to 1,046,329 pesetas left net earnings amounting to 2,116,776 pesetas, which is an increase of 602,151 pesetas.

The aggregate gross from March 1, amounted to 24,507,404 pesetas, an increase of 6,008,341 over the corresponding period in 1919, an aggregate net amounting to 16,074,861 pesetas showed an increase of 5,487,484 pesetas. The figures following show the gross, net and net increase for each month since March:

1920	Gross Pesetas	Net Pesetas	Net. inc. Pesetas
March	2,533,815	1,695,141	754,489
April	2,676,592	1,767,913	782,874
May	2,647,592	1,767,311	628,785
June	2,523,998	1,618,187	488,939
July	2,542,202	1,570,414	451,773
August	2,715,020	1,716,904	463,834
Sept.	2,910,418	1,945,823	793,844
October	2,795,106	1,831,392	520,795
Nov.	3,163,105	2,116,776	602,151

UNLISTED SECURITIES

Stocks—	Bid	Asked
Alberta Pac. Grain, com.	130	..
Do., pref.	74	82
Can. Machinery, Com.	..	34
Can. Marconi, com.	2¼	3½
Canadian Oil, com.	62	..
Can. Westinghouse	101	107
Cockshutt Plow, pref.	53	57½
Cuban Can. Sugar, com.	..	13
Can. Woolens, pref.	..	73
Do., com.	..	43
Can. Crocker-Wheeler, p.	72	..
Crown Life Ins.	74	..
Belding Paul, com.	..	37
Do., pref.	..	79½
Dom. P. & Trans., com.	..	41½
Dom. P. & Trans., pref.	85	90
Dunlop Tire, pref.	88	92¾
Famous Players, 8% pfd.	..	81
Home Bank	97½	101
Goodyear Tire, pref.	79	85
Whalen Pulp, com.	12½	19
Gunns, Ltd.	..	87
Robt. Simpson, pref.	73	76
Sterling Bank	108	114
United Cigar Strs., pfd.	1¾	2¼
Western Grocers, pref.	62	70
West. Can. Pulp	20	29
Mattagami Pulp, pref.	70	80
Do., com.	26	30
Mercantile Trust	90	..
Manufacturers' Life	170	200
Page Hersey, pref.	84	..
National Life	150	..
London Loan	83	..
Trusts & Guarantee	65	72½
Loew's Hamilton, com.	..	115
Do., pref.	..	85
Marcus Loew's, pfd.	..	90
North Am. Pulp	4¾	5½
Peoples' Loan	..	90
Riordon, com (new stock)	25	32
Do., pref., (new stock)	..	72
Sterling Coal, com.	18½	22¼
Western Assurance	10	12¼
Bonds—		
Abitibi Gen. Mort., 6s	..	89¼
Amer. Sales Book, 6s	92	..
P. Burns, 1st Mort., 6s	95	100½
Can. Machinery, 6s	79½	..
Collingwood Ship., 6s	91	..
Dunlop Tire, bonds, 6s	92	97
Eastern Car, 6s	85	91½
Harris-Abattoir, 6s	89½	93½
Wm. Davies, 6s	92½	99
N.S. Steel, debs., 6s	71	76½
Lake Superior Paper, 6s	89	95
Gordon-Ironsides, 6s	86	92
Mex. Nor. Power, 5s	8	11¾
John Morrow Screw, 6s	84	87¾
Ontario Pulp, 6s	86	91½
Toronto Power, 1924, 5s	86¼	91
King Edward Hotel, 7s	72½	76½

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"When Toronto Grew Up," by Col. George H. Ham.
"Margot and Peter Flower," by "Margot" Asquith.

REVIEW OF REVIEWS

Selections culled and clipped from the cream of the world's periodical literature:
"How France is Recovering"—Lovat Fraser.
"Germany Still Unrepentant—J. Ellis Barker.
"Winston's Opinion"—Rt. Hon. Winston Churchill.
"Women Rule Films"—W. Stephen Bush.
"Wells on Mankind"—H. G. Wells.
"Bethmann-Hollweg Explains"—A. J. Foynbee.
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HOW SHOE FACTORY IS LAYING CARDS UPON THE TABLE

Ames Holden McCready Send Frank Letter to the Trade

REPLACEMENT BASIS

It's Own Policy and Retailers Urged to Follow—Heavy Losses Wiping Out Years of Profits, Yet—

By Resident Representative.

MONTREAL. — It is the unknown, not the known, in most instances, that induces a lack of confidence; that inspires fear. In months past a sort of dark threat has overhung Ames, Holden securities. The stock went steadily lower. All varieties of reports were spread abroad: failure, tremendous losses, the wiping out of the preferred stock, not to mention the common; so many days—usually a single week—given to live on. And then the deluge.

Undoubtedly the company was faring badly; losing heavily in liquidating its stocks; wiping out previous profits; no orders were coming in, and the while every machine had been stopped in all the leather footwear producing plants. But it was not at all as bad as was painted by the Man on the Street.

The president, T. H. Rieder, decided to face the situation. First of all, to wipe out the delusion that goods could be sold—when made out of high priced leathers or not—at any higher price than replacement value. Then to announce to the trade—retailers—a universal cut of merchandise down to this level. Then to suggest that the retailers cut prices themselves to a level that would clean out their stocks, so that they, also, might start in again under more normal conditions, buying from the factories that they, in turn, might start up the power once more. And, last of all, signifying to the workmen that wages must bear a share of the readjustment to a healthier basis.

A letter has been sent to the trade pointing out the failure of the public to buy during the past nine months, "except for its most pressing needs," with the result that "the Canadian public to-day is very poorly shod." The shoe dealer who refused to buy has liquidated his stock "until it is as threadbare as that of the consumer." With many manufacturers' plants all over the world shut down, "prices for hides and most other raw materials used for making shoes have fallen tremendously."

Rock Bottom Prices Now

The company has reached the decision that "the prices now quoted us for our raw materials have, as is stated by tanners and other vendors, reached the lowest possible point for some time to come. In fact, leather is now selling much below the cost of production, and probably below costs that will rule during 1921, even with considerably reduced wages." Then, it is added, "we feel that our employees are willing to make our shoes for less compensation than the high rates still prevailing."

"Confidence between all the links of the industry is all that is lacking, and when the people think more about serving each other than getting from each other, the old-time business conditions will return." Then comes the announcement about prices being based on replacement values.

For the investor in the company's securities, the following statement is of special interest:

> We have had no profits during the past nine months, and our business of 1920 has been done at a loss. In addition to this, it has taken the accumulated profits of several years past to square our position to to-day's market. In other words, under the conditions as above stated, our business (including the making of 470,500 pairs of boots for our soldiers) has been operated since the beginning of the war virtually without profits to its numerous shareholders. For the year 1921, our prices are based on our obtaining a net profit of only 4% on our turn over. Do you know of any manufacturing business anywhere that could be operated on so low a margin? This is our contribution to the winning of the war and to the cost of readjustment and reconstruction.

A further statement is made in reference to the other activities of the company through its subsidiaries. These, it would appear, will not be long in proving a real asset, and probably, as THE FINANCIAL POST suggested at the time some of them were formed, may in time become the most valuable properties of the company.

Accompanying the letter to the trade is a questionnaire (suggestive, perhaps, of the Board of Commerce of sacred memory, but rather more practical), in which merchants are asked in reference to the buying power of the public, stocks on hand in the stores, clearance sales recently held, whether buying was stimulated by these reduced prices, and then a suggestion of a plan for co-operation between the manufacturer and the retailer by which the former through advertising shall make it clear that the prices of shoes retail are now placed on a replacement basis. The reference to the public is as follows:

> Shall we tell the public, through newspaper advertising, that we are offering leather shoes to retailers at prices based upon today's low market for hides and leather, and that these prices apply not only to new production but also to leather shoes made out of materials purchased at much higher costs?

Then comes the question as to when newspaper advertising shall commence. Are they willing to re-price their present stocks "as we have done?" Are they willing to take a smaller percentage of profit on their turnover during 1921 in order to increase the sales volume, and a final question as to what they consider a fair net profit on the turnover in 1921, the company stating its intention to get along with only 4 per cent.

$3,000,000 OFFERING OF WINNIPEG ELECTRIC

Public Issue Next Week at 90 With 30% Bonus of Common—Earnings Growing

MONTREAL. — On Monday next, January 10, a public offering will be made by Nesbitt, Thomson & Co. of the $3,000,000 issue of preferred stock of the Winnipeg Electric Railway Company. The price, it is understood, will be 90, with a bonus of 30 per cent. of common stock. The preferred stock pays 7 per [illegible] so that at the price the yield [illegible] per cent. A considerable amount of the issue has been subscribed for already by private sale.

The issue comes before the public at a time when the increased rates on the railway are showing a marked improvement in net earnings, due also to decreasing costs of operation that are beginning to be felt and will be more and more during the present year. For the month of November the net earnings increased $20,750, or 20.9 per cent. For the eleven months of the year 1920 to the end of November the gross earnings increased $929,000, or 23 per cent., while operating expenses increased only 17 per cent. The result was that the net earnings rose from $806,538 to $1,215,037, an increase of $408,498, or over 50 per cent.

The following tables show the earnings and expenses and net returns for the month of November, and also for the period of eleven months in the past two years:

November	1920	1919	Inc.	%
Gross earn.	$483,099	$461,450	$21,649	4.69
Oper. exp.	363,232	362,333	899	.002
Net earn.	$119,867	$99,117	$20,750	20.9
Eleven months to Nov. 30—				
Gross earn.	$4,768,918	$3,839,757	$929,159	23
Oper. exp.	3,553,879	3,033,219	520,661	17
Net earn.	$1,215,037	$806,538	$408,498	50.6

PROVINCIAL PAPER ACQUIRES LIMITS

Awarded Nipigon Tract — Ample Raw Materials Now Assured

In connection with the public tenders for the Nipigon pulp and timber limits, an area embracing 1,220 square miles, the highest bid was submitted by the Provincial Paper Mills Company, and the cutting rights on this government property have accordingly been extended to this company for a period of twenty-one years. The limits extend along the north shore of Lake Superior and east from the Nipigon river.

Secretary-Treasurer S. F. Duncan stated that while an official survey of the property had not as yet been conducted by the company, there was ample assurance that the company now had sufficient raw material available to keep its mills operating for many years. Formerly the company obtained its materials from small limits, which were rapidly cleared. In view of conditions now existing, the company will in all probability proceed with the construction and development, which had been held up before for lack of adequate supplies of raw materials to justify broad expansion. Mr. Duncan pointed out that the pulp mill at Port Arthur was now operating at capacity, turning out from fifty to fifty-five tons monthly, and it was the company's intention to erect a paper mill for the manufacture of book and writing papers at Port Arthur also as soon as general business conditions would permit. Timber would be either towed on water from the Nipigon limit or transported by rail to the Port Arthur mills.

PULP AND PAPER EXPORTS ROSE BY 85 P.C. OVER 1919

Total for Eight Months $118,000,000, as Against $64,000,000

PULP FALLING OFF

Increases Lately Not as Great As Earlier in the Year—Newsprint Strong—Over Double 1918

By Resident Representative.

MONTREAL.—Month by month the increases in exports of pulp and paper from Canada are piling up, and the first eight months of the current fiscal year, April 1 to Nov. 30, show very impressive gains over the corresponding period of 1919. The total exports in the 1920 period of paper and pulp amounted to $118,303,918 as compared with $64,626,540 one year ago, and $53,954,984 in 1918. The increase over 1919 was therefore 85 per cent., and over 1918, 119 per cent. Indeed the exports to date this fiscal year exceed by $13,668,580 the total exports for the fiscal year ending March 31, 1920.

The figures for the past three years compare as follows:

Eight mos.	1920	1919	1918
Paper	$59,051,485	$37,985,676	$28,886,120
Chem. pulp	45,611,284	21,082,402	21,760,738
Mech. pulp	13,641,149	5,558,462	3,308,126
	$118,303,918	$64,626,540	$53,954,984

Less Pulpwood Than in 1918

Exports of pulpwood for the eight months amounted to 915,336 cords, valued at $11,504,496, compared with 631,941, valued at $6,321,540, in the corresponding months of 1919, and 1,132,987, valued at $10,846,864 in 1918, all of which went to the United States.

November Totals

Taking the month of November by itself the exports reached a total of $14,355,435 as compared with $8,016,990 one year ago, or a gain of 79 per cent. The returns show only a slight increase in the export of groundwood (mechanical) pulp, indicating the falling off in the heavy demand of some months ago. This decline, extending also to chemical pulp, continued in December as well. The comparative figures were as follows:

November	1920	1919	Gain.
Paper	$7,897,465	$4,911,514	$2,985,951
Chem. pulp	5,441,786	2,108,068	3,333,718
Mech. pulp	1,016,184	997,408	18,776
	$14,355,435	$8,016,990	$6,338,445

Classes Exported

The exports of paper included 1,267,620 cwt. (63,381 tons) of newsprint, valued at $6,926,465; 5,292 cwt. (264 tons) of book paper, valued at $64,463, and other paper valued at $906,537.

Pulp exports included 183,102 cwt. of sulphate (kraft), valued at $1,123,967; 225,908 cwt. of bleached sulphite, valued at $2,096,395; 336,403 cwt. of unbleached sulphite, valued at $2,220,424, and 263,976 cwt. of groundwood pulp, valued at $1,016,184.

Countries of Destination

The countries of destination were: Paper—United Kingdom, $233,667; United States, $6,202,816; other countries, $1,460,982. Pulp—United Kingdom, $192,749; United States, $6,009,739; other countries, $254,482.

Unmanufactured pulpwood to the extent of 137,090 cords, valued at $1,948,241, was exported to the United States during the month, compared with 60,098 cords, valued at $635,361, exported in November, 1919.

WESTERN POWER OF CANADA

Taken Over By B.C. Electric Railway Co.—90 p.c. of Stock Purchased

NEW YORK.—About 90 per cent. of the outstanding preferred and common capital stock of the Western Power Co. of Canada, Ltd., has been sold to interests representing the British Columbia Electric Railway Co., Ltd., according to a statement made here by James D. Mortimer, the retiring president of the power company. The outstanding stock comprised 8,500 shares of preferred and 50,000 shares of common, and the sale price of the preferred was $70 a share and of the common $35.10. Shareholders who did not participate in the option contract are given an extension of time to May 16, next, to dispose of their holdings. As part of the transaction the British Columbia Electric Co., Ltd., guaranteed the payment of principal and interest of the $5,000,000 first mortgage bonds of the power company.

PENDENNIS MINING CO.

Prof. De Leury, of the University of Manitoba, and J. D. Perrin, president of the Pendennis Gold Mining & Reduction Company, Limited, returned to Winnipeg last week after completing an extensive survey of the company's mining properties to the north. Prof. De Leury's report on this property is being awaited with interest by the mining men of Winnipeg.

Just Published, Oct. 1920
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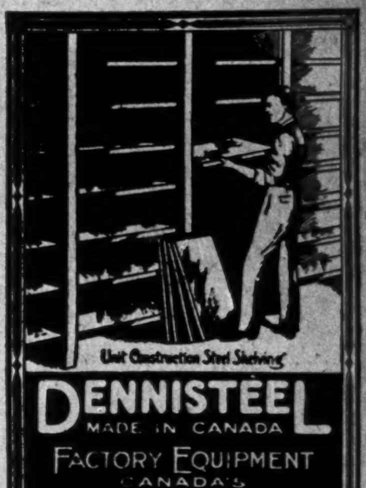

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NEWS AND VIEWS FOR MANAGERS

THE SERVICE OF BANK MANAGERS TO THE RETAILER

Should Keep Him Advised Regarding General Conditions

POST'S QUESTIONNAIRE

About Seven Hundred Managers Contributed to a Valuable Analysis of the Business Situation

Although not leading to a very definite conclusion as to whether retailers generally are showing a disposition to reduce prices to a basis warranted by conditions prevailing, the answers to the questionnaire sent out by THE FINANCIAL POST to bank managers has permitted of a very valuable analysis of the trade situation and the summary printed last week created a very favorable impression in the business world. And here I desire on behalf of THE POST to thank the managers for the interest they displayed in the matter. Many of the total of about seven hundred replies received not only contained answers to the questions asked, but went into particulars to explain the local situation.

The replies received indicated that the policy of the retailer was, in the smaller communities, controlled by local conditions rather than by the general situation. Thus in one town or village some merchant may start price reductions and others will join the movement, while in another there will be a general effort—in fact, perhaps an indefinite understanding—to keep prices firm so far as possible. Of the replies received, there seemed to be an almost equally divided opinion as to whether or not the retailer was making reductions as he should. If this is the case and if a contrary policy is being followed as between different communities, then I think the importance of closer relations between the retailer and his banker is emphasized The merchant is not in a position to keep in touch with general financial and business conditions as is the banker. He is often entirely influenced by the attitude of the buyer and this is not always good. If the banker in view of his wider experience can become an effective factor in the framing of the policy of the retailer, he will not only protect the interests of the bank, but he will establish connections in the retail trade which will mean expanding business.

It would, of course, be impossible to give in detail the hundreds of reports received. The following are typical observations "affirmative" and "negative" on the question of price reductions from various business centres across Canada:

AFFIRMATIVE

"We consider that they are making every effort to do so. Certain lines which they purchased at higher prices than those now prevailing in wholesale circles they are attempting to dispose of at the old price."—Norval, Ontario.

"The majority of retailers in this district are selling at a discount from 20 to 30 per cent."—Tweed, Ontario.

"I believe the retailers in Fort William have reduced prices on mostly all lines with the idea of getting rid of stocks as quickly as possible."—Fort William, Ont.

"There is every evidence that retailers are quite conscientiously reducing their prices, as may be judged from their advertising."—Toronto, Ontario.

"The more reliable retailers are reducing prices fairly well but there is still room for improvement in this locality."—Port Arthur, Ont.

"Yes, decidedly."—Sommerside, Ont.

"With the exception of men's furnishings, ready-made clothing and ladies' ready-to-wear garments, we find that little reduction is made in prices."—Fredericton, N. B.

"I think in most cases he is reducing as far and as fast as he can."—Lethbridge, Alta.

"Yes, locally, all merchants are doing this."—Provost, Alta.

"We believe the retail merchants of this village are reducing their prices accordingly."—Minburn, Alta.

"This is being done locally, but from interviews with some of our retail clients from small outlying points, this matter has not yet received the attention which it should demand in view of present unsettled conditions."—Morinville, Alta.

Medicine Hat, Lethbridge and Edmonton report that suitable reductions are being made.

"In most cases in this locality, I believe that the retail merchants are reducing their prices as far as conditions warrant and, in some cases, a little farther than would appear to me to be reasonable."—Winnipeg, Manitoba.

"The retailers are reducing prices as much as possible."—Steinbach, Man.

"At least, as far as they can safely do so."—Rossburn, Manitoba.

"We believe that the merchants are reducing prices in order to cope with the larger concerns."—Valparaiso, Sask.

"Practically all merchants are reducing prices in this city as far as conditions warrant."—North Battleford, Sask.

"In my opinion, the majority of retailers are reducing prices as much as conditions warrant but I think there are, shall we say, some profiteers who are holding out for the highest possible figure still."—Eskbank, Sask.

"The retailers at this point are cutting prices but not to a point the buying public expects them to reach eventually."—Eaton, Sask.

"He has begun to do so, very reluctantly, after continual urging."—Port Alberni, B.C.

"Competition amongst the retailers at this point has been extremely keen and we are of the opinion that prices have been reduced so far as conditions warrant."—Transcona, Man.

NEGATIVE

"Generally speaking, I think that retailers are unwilling to take a loss on merchandise purchased at high prices and they are not basing the selling price on the present replacement cost."—Toronto, Ontario.

"In my opinion, reductions are being made on certain lines of inferior quality but when a decent article is called for there is little or no reduction—this applies particularly to clothing."—Peterboro, Ontario.

"Prices only slightly reduced. Retail Merchants' Association appear to be holding together."—Owen Sound, Ont.

"A number of dry goods and clothing stores have held sales but we have found it difficult to determine whether any real reductions have been made in the price of goods."—Brantford, Ont.

"There does not appear to be much inclination to cut prices in the smaller centres. Retailers are disinclined to accept a small margin, and are much slower in marking down than they were in marking up."—Montreal. Quebec.

"He is trying to make all he can but claims that the country merchant did not mark up his goods on hand but gave his customer the benefit of the low price as long as the goods lasted."—Killaloe Ontario.

"According to present wholesale prices he is not; he is holding prices up to equalize the eventual losses on old stock purchases at the higher level."—Marysville, N.B.

"Retailers claim to be reducing prices but we do not think that they are basing reductions on replacement values." Hillsborough, N. B.

"No, and in spite of the fact that wholesale houses are quoting lower prices, the retailer does not seem to be giving the buying public the benefit of these lower prices."—Sidney Mines, Nova Scotia.

"Generally speaking, I believe the retailer does not show a disposition to take a loss and only reduces when the action of a competitor in cutting prices forces him."—Hull, Quebec.

"Practically no reductions here and the mail order houses outside are getting the business."—Prince George, B.C.

"No, very reluctantly reduce prices."—Revelstoke, B. C.

"No. Although we are passing through an epidemic of sales the retailer appears altogether too anxious to cling to the prices of four months ago and has little consideration for replacement values."—Hanna, Alta.

"I would say not; there is a tendency to keep them up."—Winnipeg, Man.

"There is little evidence yet of any reduction in prices. Cost value rather than replacement value still controls prices."—Shoal Lake, Man.

"In my opinion, prices of commodities especially in country points, are not being reduced considering conditions Prices have been reduced but very little and were they reduced in accordance with conditions, I believe it would stimulate local trade."—Glenboro, Man.

"Prices have been held fairly high during the Christmas season. We think further reductions justified and the public bought very cautiously in the expectation of reductions."—Swift Current Sask.

"Several sales are being put on in this district. I consider this a wise policy but it is not as general as it should be. Some merchants are too reluctant to reduce."—Plumbridge, Sask.

Altogether, the reports indicate that the situation is more acute in the industrial centres than in the agricultural communities for reasons which the banker will appreciate. The farmer has been hit by a declining market, but he has saved from the fat years, and is not in so trying a position as the city worker who either because of the high cost of living or extravagance spent his wages in the good days and is now in difficulties if he is thrown out of work.—J. W. T.

The Viewpoint of the Retailer

"Men's Wear Review."

What the bank manager thinks of the manner in which the retailer is conducting his business on a falling market is both of interest and importance to the retailer. The bank manager may be right or he may be wrong; but in either case, the conclusions to which he has come are bound to influence the relationships between himself and his client, the retailer. If he is right, retailers can understand a little better, perhaps, why he has adopted the attitude he takes at the present time; if he is wrong, the retailer should be at some pains to convince him of his error because it is in his interests to do so.

NOVA SCOTIA

W. C. Sinclair, who has been appointed manager of the Amherst, N.S., branch of the Bank of Nova Scotia, has been succeeded as assistant manager of the Prince William Street branch at St. John, N.B., by W. A. Clark.

G. W. G. Williamson, formerly accountant of the Calgary branch of the Bank of Nova Scotia, has been transferred to the Prince William Street, St. John, N.B., branch, as accountant.

A CATECHISM OF AMERICAN BANKS

Emphasizing Differences Between Systems in Canada and United States

By STUART H. PATTERSON,
Comptroller Guaranty Trust Company of New York.

Q. What is a bank?

A. A bank in the United States is an institution chartered by a state or the national government, which accepts the care of money belonging to individuals, firms and corporations, thereby, among other things, relieving them of the risk of keeping large sums of money in their possession. It is also the medium through which nearly all general business transactions are ultimately cleared. Without the facilities afforded by banks the business of the country would be at a standstill.

Q. Is there more than one kind of a bank?

A. There are many kinds of banks in the United States. There is the bank of deposit, described in a general way in the foregoing paragraph and there are savings banks, trust companies, private banks, banks of discount, acceptance banks, and the Federal Reserve Banks.

Q. How does a savings bank differ from other banks?

A. A savings bank is one in which people deposit money that they do not except to use immediately and upon which they can receive a higher rate of interest than is generally allowed in banks of deposit.

Q. Why can a savings bank pay a higher rate of interest?

A. The principal reasons are that most of the money is deposited for long periods and the clerical work in a savings bank is less than in a bank of deposit, and consequently its expenses are much less, as the accounts are inactive.

Q. What is meant by money deposited in savings banks for long periods?

A. Usually savings bank accounts are started with small sums and are added to as money is saved against the proverbial "rainy-day." Consequently, the money usually remains until there is urgent need for it, or enough has accumulated to warrant investment in some bond or business.

Q. If savings banks pay more interest, why does not everoyne use a savings bank instead of a bank of deposit?

A. If savings banks were used for commercial purposes their expenses would be so large they would be unable to pay the higher interest, and, besides, the method of transacting business by a savings bank is entirely different. In a savings bank the usual method of withdrawing money is upon the presentation of a bank book, and it can readily be seen that commercial business could not be transacted in that manner.

Q. What is the difference between a state bank and a national bank?

A. The difference between state and national banks are not as great as before the passage of the Federal Reserve Act in 1913. A state bank is chartered by the state in which it is located and is subject to the laws of the state and examinations by state authorities. A national bank is authorized by act of Congress and is part of the Federal Reserve system, while a state bank may or may not belong to such system.

Prior to the passage of the Federal Reserve Act, the principal difference between the state and national banks was that national banks issued money in the form of bank notes, which a state bank could not do, although, in the early days of the Republic, state banks were permitted to issue bank notes and the notes of one bank would frequently have a different value from the notes of some other bank, causing no end of complications.

Q. Why did the Federal Reserve Act change the method of issuing money?

A. Prior to the passage of the act, there were, generally, speaking, two kinds of paper money in circulation—notes issued by the Treasury of the United States secured by the deposit of gold and silver and known as Gold or Silver Certificates,, and notes issued by national banks secured by certain United States government bonds. These forms of currency were not sufficiently elastic and were incapable of expansion and contraction to meet the fluctuating demands of business, chiefly because the amount of notes that could be issued by national banks was limited by the amount of the capital of the banks, and, furthermore, only certain United States government bonds had circulating privileges.

Q. How did the Federal Reserve Act change the issue of currency?

A. In addition to the gold and silver certificates, the United States government can now issue what are known as Federal Reserve notes secured by 40% in gold and 60% in agricultural, industrial and commercial notes, drafts, bills of exchange or acceptance. These nots can also be secured by 100% in gold.

Under the Federal Reserve Act. notes for business transactions subject to certain restrictions making them eligible can be taken by a bank to the Federal Reserve Bank of which it is a member and exchanged for Federal Reserve notes. The Federal Reserve Bank in turn pledges 60% of such notes, together with 40% of gold, with the United States government as collateral for the Federal Reserve notes, which are issued for the full amount.

LAND TAXES IN U.S. OPPOSED BY FARM BANKERS

Would Be Detrimental to Best Interests of Farmers

SINGLE TAXERS' PLAN

Speaker at Kansas City Convention Declares That Nationalization of All is Ultimate Object

It having been suggested that in the event of tariff reduction in Canada revenue could be made up by the imposition of land taxes it may be of interest to point out that such a proposal in the United States has met with a hostile reception not only by the farmers and other landowners concerned but by business interests concerned in the success of agricultural operations. The Ralston-Nolan Bill proposes a direct federal land tax on all land values in excess of $10,000. The Farm Mortgage Bankers' Association is actively opposed. At the seventh annual convention at Kansis City, H. Guy Hathorn, of Memphis, delivered an address of condemnation, which was preceded by the explanation that he spoke from a knewledge of the evolution of agriculture, a long association with farmers who would have to bear the greatest burden of the proposed bill, a thorough comprehension of their aims and purposes, and a profound sympathy with their social and economic aspirations.

In making his indictments against the proposed taxation, Mr. Hathorn said:

The Ralston-Nolan Bill violates the principles of sound and equitable taxation; first, because it is based on the theory of the Single Land Tax, which all local trials have proven a failure, and which has never even had a trial by a national government of recognized stability! second, because it specifically provides exemption for one class of invested capital, and imposes additional burdens on another class, equally deserving of exemption; third, because it empowers the Federal Government to impose a direct tax on real property, a taxing function which should only be exercised by county, municipal and state governments.

The Ralston-Nolan Bill does not attempt to improve existing tax laws, equalize unfair distribution, or lessen the burden on the whole people; on the other hand, it seeks, by unjust discrimination, to shift a part of the undiminished burdens from one class to another class.

The Ralston-Nolan Bill penalizes thrift and industry because it would impose a direct tax on values actually created by the owners of valuable farm lands.

The Ralston-Nolan Bill provides the means for certain highly-organized industries to escape a part of their just obligation; and, on the other hand, compels another class, not so well organized to assume obligations not properly belonging to them.

Direct Taxes Obnoxious

It is declared by opponents of direct taxation that it has always been obnoxious to the people. Further it was argued by Mr. Hathorn that excess profits tax and taxes on consumption, both of which are always passed on to the consumer, should be greatly lessened or entirely abrogated. The income tax, in theory, he regarded as the most equitable system of taxation. But so far as the Ralston-Nolan Bill was concerned it made no attempt to eliminate objectionable features of the present tax laws and merely sought to reduce the tax paid by its advocates; without suggesting equitable adjustment it would place an additional burden on another class. Further:

The Ralston-Nolan Bill is primarily and basically wrong. It is wrong in principle because it would leave the legitimate field of Federal taxation; it would override memorial custom; it would usurp authority properly pertaining to local, municipal and state governments. It is wrong in application because it would take a common burden from the shoulders of all the people, and place it principally on the farmers, who are one class only, and a minority of the whole people. The shrewd sophistry of the proponents of this bill cannot cloud the eyes of reason and convince clear-thinking men that this legislation would not fall most heavily on the farmers, who, as a class, have always been the mainstay of the Government in peace and its strongest defense in war.

The Ralston-Nolan Bill is a direct attack on progress, and a sinister thrust aimed at the heart of agricultural development. It would penalize the thrift and industry that braved the terrors of the unknown; carved pathways through the heart of a continent; built homes in the wilderness; marked the limits of the earth's greatest agricultural empire; and projected the star of hope on the horizon of unborn generations.

The Ralston-Nolan Bill gives no credit for land values actually created by individual effort and augmented by development for which concerted local pride and community co-operation are alone responsible.

Diversified farming, with the proper rotation of crops, is the only system of farming that will inevitably add intrinsic value to the land and certainly increase both individual and community wealth.

Scheme of Single Taxers

Mr. Hathorn charged that the Ralston-Nolan proposal was designed by the single taxers, "whose known purpose is the nationalization of all land." Continuing, he said:

The originators and advocates of the Ralston-Nolan Bill, whose mediocre minds but feebly counterfeit a dim reflection of the daring genius of Henry George; whose sordid motives are but degenerate descendants of his splendid altruism, present neither original arguments, sound financial reasons, nor economic justification for their rank departure from the equitable principles of taxation. Their banal selfishness has so blinded them that they ignore alike the gross discrimination featured in this bill and the glaring failures time has recorded for local trials of the single tax theory.

Not a single argument presented in favor of their bill is of sufficient merit to justify serious consideration, and could only appeal to men whose credulity and gullibility unfit them for the duties of citizenship—unless, indeed, it be those whom long immunity from bearing their proportionate share of the expenses of the Federal Government has rendered frantic in their eagerness to resume unhindered their former spoliation of the public and the national treasury.

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TORONTO, JANUARY 7TH, 1921

A COURAGEOUS LETTER TO RETAILERS

ONE of the most commonsense steps to be taken by a manufacturer in the very difficult period of suspended buying through which most are now passing is the letter to the retailers in the shoe trade by T. H. Rieder, president of Ames, Holden, McCready, Limited. The whole document is an admirable example of an effort to face the situation frankly, to make clear the firm's intention to disregard the high-cost basis of the stock still in hand and to establish a new standard in this business for old and new goods alike, namely, of replacement value, to make this effective to the trade as of January 3, to get back again to a firm standard of prices, finally ending with an offer to co-operate with the retailers through publicity in getting their own stocks down to this absolutely necessary basis if they are to clear them out and return to more normal conditions of merchandising.

It is gratifying to note that this straightforward and courageous method of facing these unprecedented conditions has already resulted in creating confidence in the trade and new orders are beginning to come forward. This would appear to mark the first real constructive step in a sorely tried industry for eight or nine months. THE FINANCIAL POST is the more pleased to commend this step, as some months ago when the combined group of shoe manufacturers attempted to convince the public that high prices must prevail it condemned the whole movement as utterly futile, as a step in the wrong direction, and as thoroughly unconvincing.

LABOR AND THE TARIFF POLICY

NO one could take serious objection to the attitude of labor—or rather of the Trades and Labor Congress—on the Canadian tariff and the policy of protection. Representing 200,000 organized workers, belonging to 2,000 unions, Tom Moore and P. M. Draper speak for the safe and sane element in Canadian labor—the element which has been and continues to be a mainstay of Canadian industry in this unsettled period. They know that the tariff is necessary for the maintenance of manufacturing activity and, although they make some rather vague suggestions regarding the treatment of combines and control of financing, their endorsation of the fundamental principles of protection cannot be misunderstood.

Of great significance is the emphasis which these union leaders place upon the fact that the Trades and Labor Congress is not a political body and not to be confused with political Labor parties "whose membership is confined to one political belief and includes many besides actual wage workers." This would not only seem to reflect maintained opposition on their part to the O.B.U., I.W.W. and other Bolshevik influences but a recognition of the fact that labor is not conducting a winning fight in politics as indicated this week by the defeat of MacBride in Brantford, Halcrow in Hamilton and various other labor candidates in Toronto, London and other cities.

The suggestion of the Congress leaders that a permanent Tariff Commission should be appointed might also be regarded as an admission of difficulties in the way of securing legislation by direct methods. However, it is in keeping with the policy which has been advocated by THE FINANCIAL POST for a permanent advisory commission of experts to represent the interests of agriculture, industry and labor in giving technical advice to the Minister of Finance in the framing of his fiscal policy and the budget.

The recent experiments with new taxes will convince [illegible] average business man that something better than [illegible] method of tinkering should be abolished for [illegible] more practical. Sir Henry Drayton has been [illegible] any changes in taxation policy. We [illegible] to be praised for his willingness to [illegible] The mistake was in imposing such [illegible] place and that was hardly a matter for [illegible] absence of practical or adequate advice [illegible] ble effect of the various experiments.

[illegible] FOR WAR-TIME WAGE STANDARDS

[illegible] nd there are signs of deflation and read- [illegible] The farmer, the manufacturer, the whole- [illegible] retailer—the investing and business public [illegible] tly reduced profits and for the time be- [illegible] ses experiencing serious losses. Many [illegible] and unorganized—are out of em- [illegible] eriod when a great many people in [illegible] re meeting changed conditions. [illegible] king a determined stand against [illegible] of wages. Some union officials [illegible] high wages to the mast. With this endeavor to maintain wages there will be a great deal of sympathy. In many trades workers are not and have not been overpaid. But in others there can be no doubt but that abnormal conditions were marked by wage envelopes swelled because of temporary shortage of man-power and necessity for production. In such trades there is to-day considerable unemployment.

In some trades the value of the workers' output can be increased by greater efficiency. In many trades the workers are now earning all they are getting. With others there will have to be some readjustment or stagnation will continue. If union officials do not see this and fight blindly for the particular union by which they are employed they will not only prolong unemployment but they will help to bolster up the abormally high production costs which must be paid by consumers including other workers.

It is a time when there should be sane reasoning by all classes in the community. Unionism can fill its place by securing fair wages and fair conditions for the workers. But unionism cannot successfully defy the inevitable forces of economic conditions such as now are at work in bringing about the post-war adjustment. The increasing strength of the open shop movement in the United States is an evidence of this.

THE ELECTIONS AND HYDRO-RADIALS

IT was to be expected, of course, that the press agents of the Hydro in Toronto would acclaim the re-election of the "perpetual" Church and the big vote for the so-called clean-up of the Mackenzie interests as some kind of a tremendous victory for Sir Adam Beck and his policies. On this point there is room for difference of opinion—but it is a long story and our readers understand where we stand on the matter.

But when the pro-Hydro newspapers go so far as does the Toronto "Globe" in declaring that the vote in Toronto "augurs well for the future growth of this metropolis because" in view of the results and their significance "the Sutherland Commission is practically eliminated from the Hydro-radial controversy" it is another matter entirely.

Despite the fact that the whole trend of the argument for Hydro radials has changed from a policy of rural development to one for a system of fast suburban lines centering in Toronto, the question is still one largely concerning the smaller cities and the rural municipalities as well as the Provincial Government—so far as financing the project is concerned.

And the same elections which are regarded as a triumph for the Hydro radials policy in Toronto were marked by different and much more significant results elsewhere.

In Scarboro' township the Hydro machine was used in an endeavor to defeat Reeve Stewart because he had stubbornly opposed financial by-laws on behalf of the township in connection with the Toronto Eastern project of Sir Adam Beck. Reeve Stewart defied the Hydro and took the attitude that he would not pledge public funds and credit until the Sutherland inquiry was completed and the policy of the Government definitely settled. A strong pro-radial candidate was put in the field against him, but was decisively defeated.

At Brantford, Mayor MacBride, who is quite as well known as a henchman of Sir Adam as Mayor Church of Toronto, was defeated by a business man, George Wedlake, the general manager of the Cockshutt Plow Company; MacBride was an opponent of Drury policy on the radials. The defeat of Halcrow, another member of the provincial Labor party in the legislature, at Hamilton, by a business man, E. C. Coppley, head of Coppley, Noyes & Randall, is also significant as to the public attitude towards opposition of the Queen's Park administration; Mr. Coppley stands for sound business principles in regard to Hamilton's Hydro-radial responsibilities. At London a business man, Sid Little, was re-elected over a Labor candidate.

But no matter what conclusion may be reached from the election results they can have no actual bearing upon the Sutherland inquiry or its conclusions. Toronto's desires for outside connections should be no influence with the Commission or the Government unless it can be shown that the outside municipalities will benefit to the extent of their investment and that the whole scheme is on a sound business basis.

EDITORIAL NOTES

THE RED agitators do not understand generous treatment. Despite the fact that they have been paid abnormally high wages for the minimum of hours there are some of the employees of Henry Ford who are now demanding that he turn the plant over to them so that they may make automobiles for their personal use.

* * *

REFERRING to the election at London, a close student of municipal politics says: "In a quiet, but none the less effective manner, good citizenship won a notable victory at the polls over the radical and socialist element which for months past has been grumbling and threatening what it was going to do at election time."

* * *

REFERRING to the proposal to put a tax on agricultural imports in the United States, the "Wall Street Journal" says that this is a time when "farmers should ferverently pray to be delivered from their legislative friends; one of the most menacing schemes is a proposal to shut out imports of Canadian wheat." The "Journal" argues that American farmers have not suffered loss through imports from Canada, but thinks that they would probably do so in relation to the home market if they encouraged the closing of the Canadian market to manufactured goods.

* * *

THE president and directing editor of the Farm and Ranch Review, Calgary, C. W. Peterson, is to be commended for his breadth of understanding and vision in regard to the deflated market for wheat. He and his associates lost $60,000 by the readjustment, but he appreciates that lower wheat prices mean a reduced cost of living for suffering Europe. "Personally," he concludes, "I count myself fortunate to have had this sacrifice thrust upon me and to have reached a satisfying mental attitude on the subject." THE Wall Street Journal observes that we are now beginning to pay one hundred cents for borrowed dollars worth fifty—and it hurts.

Some Farmer Witnesses Think They Do Not Pay Share of Taxes

Are Surprised When Faced With the Practical Problems of Raising National Funds if Tariff Revenue Cut Off

By GUY MORTON.

The third of a series on the hearings before the Tariff Commission by a journalist who has closely followed all the proceedings. In this article he emphasised that the evidence has clearly and convincingly shown that the suggestions made as to how to raise revenue in the event of free trade or a material reduction of tariff income are not practicable. Further, opponents of the tariff are displaying a very vague knowledge on this subject and a number of witnesses were so surprised to learn the extent of taxation borne by other classes that they admitted that perhaps the farmers were not paying their share of the expenses of running the country. This attitude on the part of the farmers indicates that an intelligent campaign to tell the public the advantages of protection as an industrial and national policy would be effective despite the fact that at this late date it would have to overcome a large amount of prejudice created by the attitude of a few short-sighted manufacturers and fostered by the politicians behind the Farmers' party."—Editor.

AMONG the problems which were forced to the attention of the Tariff Commission in the course of their work was the necessity to look around in search for new sources of revenue. Doubtless new revenue would be appreciated by the government under any circumstances, but in view of the fact that the Farmer Unions are demanding tariff reductions, it may be interesting to note just how futile was the search of the Commission for that revenue in substantial volume. For no matter who holds control of the next Federal Government, there will still be the debts of war to be paid, and there will still be a big revenue to be raised. In presenting their cases before the Commission, the United Farmers of the various provinces recognized that if their tariff demands should be carried out at any date, the inevitable result would be a huge reduction in the revenue. Accordingly, in their platform, they suggested alternative sources of revenue. These sources are already generally known, the one surprising feature in this connection being the unsoundness of the views of the average farmer with regard to them. By average farmer is meant the average man who appeared before the Commission.

In its broad outlines, the attitude of the Canadian Council of Agriculture with regard to these substitute sources of revenue is "Collect it anywhere you like, provided you don't ask the farmers of Canada to contribute anything." Of course, they do not put it quite that plain, but after listening for a short time to the sentiment back of their words, that is the obvious interpretation which a total stranger would take from it. They tried to prove useful by pointing out just where the new taxation could come from, and it was only a little study of these suggestions which showed that the meshes in the new taxation net were so constructed that the farmer in the majority of cases would slip through.

An analysis of the suggestions showed as well that the average farmer has been content to accept this plank in the general United Farmer platform without giving it much personal study. He trusted to his officials that it was all right, and it remained for the Tariff Commission to draw admissions from a number of farmers to the effect that, after all, it is not as it seems.

Limits of Taxation

For example, there was a prominent New Brunswick farmer official who had accepted the doctrines of the Canadian Council of Agriculture at their face value. He had memorized them, but he had not probed their meaning. He, like many other farmers, was quick to recite the clause which, in so many words, would put a stiff income tax on the monied man. After he had recited his doctrine, he was asked to fix the amount of taxation which he would levy upon the man with a $1,000,000 income, and to put it as high as he thought he dare fix it and still retain that man and his money in the country.

The official pondered, and decided to tax the millionaire at $250,000. Then he was promptly informed that the actual tax levied by the present government upon such a man is $650,000.

That is but one of all manner of examples which were constantly cropping up before the Commission to show that even some of the prominent farmer officials, outside the Western provinces, have been quite content to accept the Canadian Council of Agriculture platform, and say that it is right, doubtless because they hope it is right.

Of course, all these holes in the farmer policy will be filled up before another year, but the mere fact that they ever existed and that the farmers have been shown to be ready to gobble up a doctrine without being any too careful to examine its full meaning, throws some sidelight upon the character of the Farmer Movement which is running wild over Canada. So far as the Commission hearings tended to bring out, the farmers have been accepting the C. C. of A. doctrines in all faith, apparently because somebody told them they contained the magic panacea for all their financial ills.

A New Viewpoint

In another way, the Tariff Commission managed to throw some new light upon the farmer situation, that is, from the viewpoint of the farmers who are not radicals. There were many such who appeared before the Commission, who manifested antagonism upon their first appearance, who recited the doctrines of the C. C. of A. freely, who felt that they had been ground down by tariff taxation, and who in the end went away admitting that they really had not been paying enough taxes. This was particularly the case through the Maritime Provinces where the literature of the C. C. of A. is old enough to have been memorized, but not old enough to have been studied.

Here is the way the conversions worked out: A typical farmer, having recently listened to one of the addresses of a Farmer radical who is spreading his doctrine as rapidly as he knows how, appears before the Commission and remarks: "With the price of grain falling, it is hard enough already to struggle along without having to pay $150 or $200 a year to the government or to the manufacturers in tariff tax on farm machinery. It is too much...."

He didn't put it that way, and he said a lot more, but that is the gist of it. The figures quoted would be carefully picked from the teachings of certain United Farmer officials, and for the sake of the typical farmer mentioned above it must be said that he actually believed that he was being assessed that amount each year by the tariff charges on machinery.

Some Wild Figures

But in every instance where the Commissioners took the trouble to dig into the matter, a little calm and careful inquiry brought out the fact that the figures quoted are way beyond reason. A man with thousands of acres in the West, or a man restocking his farm after a fire, or something of that nature, might pay $150 or $200 for one or two years in the form of tariff taxation, but so far as the average farmer was concerned, it worked out nearly to $15 or $20. Even that, based upon the cases investigated before the Commission, is putting it high.

In all such investigations, the farmer was asked to recall all the machinery purchased in the past five, six or ten years. The sum would be totalled, a flat twenty per cent. charge would be struck on that, quite regardless of the fact that the average duty on farm machinery is considerably less than twenty per cent. and regardless also as to whether the machinery were purchased in Canada or the United States. And this in many instances, worked out to such surprisingly small tariff tax payments that the farmers were ready to admit that they were not paying enough. That, also, was another thing which caught the officials by surprise, but naturally that gap likewise will be checked up very shortly and an effort made to educate the farmer up to the point of thinking that the smaller sum is much too much.

So far as the income taxation was concerned, the work of the Commission should have accomplished something in an educational way, provided, of course, there does not exist a determination not to be convinced. In many parts of the country it was observed that the farmers were accepting their failure to pay an income tax as a sign of poverty. Figures, it has been said many times, can prove anything. In this instance the taxation figures, which credited the residents of the towns and cities with paying the vast bulk of the income tax proved to the farmer officials the fact that the cities were overly rich and that the country was overly poor. A few, however, appear to have been disabused of that idea, and to have caught the viewpoint that the bulk of the farmers have escaped income taxation because they have much larger exemptions than have the men of corresponding financial standing in the towns and cities.

The City Man Pays

Speaking generally, the city salaried man has his assessment based on his gross income, while the farmer's assessment is based upon his net profits. The farmer was willing that the income tax should be increased, that is, upon all amounts beyond the earnings of the average farmer, while at the same the bulk of them shrank from any suggestion that there should be a flat land tax to take the place of the income tax which the farmers are now escaping. The occasional agriculturist, who had his eyes on the future of Canada and upon the necessity for paying off the country's debt, agreed that there should be a land tax, but on the other hand the regular stand-pat United Farmers refused to agree even to the principle of a one cent land tax per acre.

While there are many other things which the sessions of the Tariff Commission brought out, the salient fact to remember is that the farmer movement is in reality a big political game, that the officials and the prime movers in the game are not at all willing to be convinced that the other fellow can be right, that the main bulk of the members can only be converted by intelligent methods which will educate the farmer to see that protection is in the interests of industry and the country and is not designed to benefit the manufacturer alone.

PERSONALS

GEORGE W. GRAY, who for the past nine years has been with the Dome Mines, recently as chief mining engineer, has been appointed general manager of Canadian Associated Goldfields, Ltd. Mr. Gray has a wide experience in mining engineering and understands gold mining operations in Northern Ontario as few others do.

J. B. HALL, chairman of the executive of the Life Underwriters' Association of Canada, and well-known in insurance circles in Toronto, has been appointed to the position of manager of the Toronto city branaches of the Manufacturers' Life Insurance Company. Mr. Hall has been engaged in insurance work in Toronto for the past twenty-one years. With him will be associated Walter B. Peace, as inspector, who is known as one of the leading insurance men in the city.

SIR FRANK BAILLIE, one of Toronto's best known business men, died on Sunday last in his forty-sixth year. About three weeks before his death Sir Frank developed an abscess, and on Christmas day he underwent a slight operation. He appeared to be making rapid recovery until Saturday last when he developed pulmonary embolism, a clot of blood being displaced from the veins and carried to the lungs. His death followed late Sunday afternoon. Sir Frank was connected with many interests in Canada, and was president of the Canadian Aeroplanes, Limited, Toronto; president of the Canadian Cartridge Company, Limited, Hamilton, and president of the Burlington Steel Company, Limited Hamilton. He organized the Canaadian Cartridge Company shortly after the outbreak of war for the purpose of making cartridge cases for the British government. It will be recalled that in June, 1916, he turned over to the government the sum of $758,248, his profits fro mthe manufacture of munitions. For his services as director of aviation and as president of Canadian Aeroplanes, he refused to accept remuneration of any kind. He was knighted in January, 1918, and was the first Canadian to have conferred on him the Order of the Knighthood of the British Empire. Sir Frank began his business career as a clerk with the Central Loan & Savings Company, Toronto, and later became private secretary to the late Senator George A. Cox. He was appointed accountant to the Central Canada Loan & Savings Company, in 1898, and assistanat manager in 1901. In 1902 at the age of 27 he was appointed general manager of the Metropolitan Bank, which had just been organized. In the following year he formed the rm of Baillie, Wood & Croft, members of the Toronto Stock Exchange. In 1910 he organized the Burlington Steel Company, Hamilton; in 1912, the Bankers Bond Company, Toronto, and in the same year the Dominion Steel Foundry Company, Ltd.

THE DOMINION OF CANADA

By Harvey E. Fisk.

A literary year book telling about Canada in the Great War, in credit structure, finance, currency, banking, manufacturing, and trade.

Canada's relation to the British Empire, its natural and developed resources, its railway and water transportation systems as they are to-day, are stated briefly but fully. "The United States' second best customer" (if not from the standpoint of economic importance its first), is now best served by that form of publicity which aspires to no flamboyant or momentarily sensational effects. The Dominion asks but that it shall be known. The author has caught the true spirit of that ne.d.—"Wall St. Journal."

High Investment Yields Now Available

We regard the present as a most favorable period from the standpoint of the investor. We strongly recommend those who have funds to take advantage of the high yields which Canada's best securities now afford, and which probably never again in our lifetime will be available.

SECURITY	*YIELD*
Dominion of Canada Victory Bonds	5.76 to 7.10%
Province of Ontario	6.25%
Province of Ontario Guaranteed (Issued by town of Walkerville)	6.50 to 6.70%
City of Winnipeg, Bonds	6.40%
City of Winnipeg, Registered Stock	6.37%
City of Sherbrooke	6.50%
Town of Gananoque	6.50%
Riviere St. Pierre Protestant School (City of Verdun, Quebec.)	6.50%
Township of York	6.60 to 6.70%
Town of New Toronto	7.00%
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NVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

NITED STATES RUBBER

M., Ottawa.—Would like to know her the United Rubber Company of nto is in good business standing or This company's stock is being issued e United Securities Corporation.

e United States Rubber Com- was incorporated prior to the reak of the war, and was finan- by the issue of 7 per cent. cum- preferred stock. The war so sly affected operations that the nal company has never paid a lend. A number of months ago nterests of the company were ab- d by a new firm bearing the name, but with a capitalization 1,000,000. According to the arement effected at the time, share- ers in the old company were al- d the privilege of holding an l amount of stock in the new com- . By a majority agreement of eholders the new company was d from meeting the arrears on the gations of the old.

e rubber tire industry was the to feel the effects of the present p in business. The smaller com- es especially have had a difficult age, not only in recent months during the period of war and e. We are of the opinion that it ld be more profitable for you to some other form of investment, er than risk more money in this pany, for at the best this com- y's stock can only be considered highly speculative.

GERMAN BONDS

S., Vancouver.—I shall be obliged if will kindly let me have your opin- in regard to investing money in nburg 4½% municipal bonds, which nd I can buy at $16 per 1,000 marks; se should be worth at par, roughly, 0, 25,000 marks costing $400, one ld receive 4½% on $6,250, provided did not take the interest away from country, but reinvested it in bonds e.

You have correctly described the rchase of German bonds as a gam- . The low prices at which German nds are now selling compared with r par value at normal rates of exchange probably represents the chance the purchaser has of realizing on his buy. When you buy German bonds you are gambling on the possibilities of a return to normal of exchange rates, on the faith of the city of Hamburg, as well as on a continuance of satisfactory economic relations between this country and Germany.

Buying German exchange in any form is a gamble. Buying German bonds is a much better gamble than buying German marks and buying bonds of well established cities such as Hamburg is better than buying bonds of the German nation. If you are willing to take a long chance, you are justified in making the purchase.

ROYAL OAK TIRE

Enquirer, Stouffville.—What is your opinion of the Royal Oak Rubber and Tire Company stock as a speculative investment? Is the re-organization of their affairs a success?

In considering the purchase of stock in a company like the Royal Oak Rubber & Tire Company, the fact must not be overlooked that companies engaged in the manufacture of rubber goods and automobile accessories were the first to feel along with the automobile companies the present depression in business. This company has had fair success in the past, however, and the new stock issue is being disposed of for the purpose of financing necessary additions to plant. Just at the moment this company is affected by the slump in business but there does not appear any reason why it should not weather the trying period successfully. Under present circumstances, however, the stock can only be regarded as specu ative.

NORTH STAR EFINERY

Enquirer, Winnipeg.—Would like your opinion as to the present worth and future prospects of the North Star Refining Company.

North Star Refinery does not issue a financial statement. We are informed, however, by a party in close touch with the company that a substantial volume of b siness has been transacted during the past year, and that prospects f r he future are bright. This company engages only in the refining end of the petroleum industry, and will be in a position to profit by oil discoveries n the west. The dividends on the preferred stock have been regularly met. In view of the recent developments in oil it would seem advisable to retain these holdings for the time being.

MONTREAL POWER

W. M. M., Nova Scoti .—Some six or seven years ago I purchased some thirty shares of Montreal Tram Power, which cost me on an average of about $40 per share. This stock has since been continually depreciating in value until now I notice it is selling at only $10 per share, so that by selling at the present time I would lose about $30 on each share and in addition I would lose a l the interest on my money investe l, about $1,200 for the space of about six years. Would you advise me to hold this stock, or sell at the present market price and wipe my loss of my books?

The position of Montreal Tram Power is one of the most complicated of any on the list, as there are so many subsidiary companies and so many obligations in the form of bonds and stocks outstanding of these various companies and no one outside perhaps of the very small inner circle will be able to figure out just what the liabilities or assets of these various concerns are worth. The one bright feature of the whole situation is the present contract which the Montreal Tramway Company has with the city, which guarantees a definite return on physical assets and as the Tram and Power Company owns a large block of Montreal Tramways stock it may stand to benefit in the long run.

ABITIBI

Subscriber, Ottawa.—In July, 1920, I put $2,000 into Abitibi, paying .67 per share. I gave my friend who invested it for me the power of attorney to sell whenever he saw it advisable, but this fall and winter this stock has gone down far below what I paid for it and he has not sold the shares. Do you think the stock will go up again? Would you advise my selling and putting the money into Dominion bonds, or into some preferred yields?

There has been a good deal of selling of Abitibi on account of the big advance in the price of stock during the past twelve months. Then the whole market has been weak, and Abitibi all the weaker on account of the split up in the stock of five shares for one, which increased the common shares from 50,000 to 250,000. At the same time the company is showing very large earnings, and for the first quarter of 1921 it will be receiving $130 a ton for its newsprint in place of $100 rate that was received for a larger part of 1920. The stock should improve with an upturn in the general market, and next year you might receive an increase in the dividend to 8%. When you can get out at a fair advance it might be to your advantage to substitute for preferred stock or bonds, as common stocks are hardly the kind of security to be recommended in your case.

CUBAN CANADIAN

Subscriber, Francis.—Would you consider Cuban Canadian Sugar preferred 8% at about 58 a safe investment?

Even at the present price you should be careful about investing in Cuban-Canadian Sugar. In common with all companies dependent on the growing of raw sugar, Cuban-Canadian has had to face some severe losses, so that so far as we can learn the earnings will fall far below what was anticipated. Just when these losses will cease no one knows: that would be with the turn in the raw sugar market, with an advance of several cents per pound, and this may mean months from now. If the Canadian company has still fairly large stocks of raws still unmarketed of the old crop, or even if all these are gone and it has only the new crop, the sugar market is in such a precarious position that the profits of the past year might easily be wiped out if the price continues where it is now. Under these conditions you would be purchasing a security of whose actual position probably no one, even on the inside, could speak with certainty.

THOMSON-KRIST

Enquirer, Walkerton.—Would like some information on the Thompson-Krist Gold Mines. Do you think it is a fair speculation?

No details are available of the basis of exchange of shares of Thompson-Krist for Northcrown, which company recently absorbed both Thompson-Krist and the Porcupine Crown mines. Just what the position of the shareholders will be under the new incorporation is therefore difficult of determination. Development work is now proceeding with a fair showing, and prospects appear favorable for a satisfactory return when production on a large scale is undertaken. At the present time, however, the stock cannot be considered other than of a highly speculative nature.

"Brief Review of the Canadian Income Tax Act"

Our Fourth Edition of the above booklet, showing all amendments and full explanation of the Act, is now available for general distribution.

Copies may be had at our office or will be mailed to anyone interested.

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The Cost of Labor and the Market Price for Coal

Some Figures Which May Aid the Consumer to Decide as to Who May be Guilty of Profiteering.

By AGNES C. LAUT.

Last spring I ordered my winter supply of hard furnace coal at $12 a ton. None came to the dealers up state from whom I ordered it till November. The price had gone up to them to $19 a ton, f. o. b. With freight and cost of delivery by motor truck and team, it cost them $2. I understand loading and unloading by hand costs them about 80c a ton. Teaming—where trucks can not be used in small area ways and yards—costs today $8 a day; so it is not hard to figure that these particular middlemen if they charged $25 a ton—two tons to the wagon—would be money out at $25 a ton, which they are charging people, who did not order last spring. Because I ordered last spring at $12, we have split the difference, and I am paying $15 a ton.

I am stating these figure sto make clear that not all middlemen are candidates for a job in the penitentiary as profiteers.

I have just returned from a trip of some detail through every city in Western Canada, and practically the same fuel conditions, with slight variations as to price and quality of coal, exist from Calgary and Edmonton to New York, and little up-state communities such as the one in which I live.

The coal did not come through sooner, not because of scarcity of cars, but because the coal operators could not get it mined. The miners demanded and got increases of pay. For every 10 per cent. wages went up—as told in another article for THE FINANCIAL POST—production declined 10 per cent. Shorter and shorter hours were demanded. The miners of the hard coal areas in the Eastern States went on vacations, against which there is no law.

No Coal Shortage

Yet in the lignite and bituminous mines West of Edmonton, such coal can be mined by hydraulicing at 25 to 50c a ton. Mine areas can be bought at $2 to $3 an acre up to $400 an acre for fully equipped properties; so the coal is not scarce, and the available areas are not scarce. They have not been "gobbled up by the trusts as soap box windy orators are fond of proclaiming. I could set down the facts of hundreds of such areas for sale for less then agricultural lands.

And the world is famished for coal. For Alberta coal, which can be machine-mined at 25c to 50c a ton and placed at tide water on the Pacific for $2.85 to $3.50 a ton, Sweden and France and South America are offered $35 to $37 a ton for bunkering purposes on ships, which no longer can afford to buy oil. Now this scarcity of oil for ships is not going to continue beyond four years. Three great new oil areas were discovered in 1920, which will be pouring out their liquid fuel supplies of oil within four years—just as soon as pipe lines, refineries, and tankers can be built, to handle the output. These three areas are in Colombia, Wyoming and Northern Canada.

Who Is Profiteering?

What hinders Canada from reaping a golden harvest from her coal mines in these four intervening years?

Who is really being hurt by present conditions? The capitalist, or the consumer, the profiteer or the householder? And who really is the profiteer? Is labor getting a square deal in the mines?

I am not going to answer these questions. I am going to copy a pay roll of one Western mine, which has never paid a single dividend, which has never been able to get far enough ahead financially to build a shed for its summer output of coal, so it could keep its summer output up to its winter output and not suffer 20 per cent. loss by deterioration in sun and rain of coal exposed to the weather.

Then I want you to go back to the questions and answer them for yourself.

Typical Labor Bill.

Minimum wages, unskilled, $6.35 a day.

Maximum wages, skilled, $22 on piecework, $13.50 on contract.

Wages per hour, 13c in 1912; $1.35 in 1920.

Rhodes scholar, $8.50 a day when he began; $20 a day in three months, underground work.

Japanese loaders, underground, $156 for 12 shifts, less $7 for supplies, 8 hour day. A shift is one day of 8 hours.

Returned soldiers, $139, less $5.25 for supplies, 13 shifts of 8 hours.

German loader, $147, less $11 for supplies, for 12⅞ shifts of 7 hours.

Japanese miner, $152.95, less $8.15 for 12⅝ shifts of 8 hours.

Russian miner, $128.50, less $6.65 for 12 2-8 shifts of 8 hours.

Scotch miner, $183.50, less $6.45 for 10½ shifts of 8 hours.

The supplies consist chiefly of explosives supplied under regulation of the fire boss, so that powder cannot be wasted, or stolen and sold.

The 8 hour day means from bank to bank, less time to leave shaft, less lunches, less wait for cars, leaving 5 to 6 hours of actual manual work.

Now answer the questions for yourself. Who is the profiteer? Who is really paying for the profiteering? Why is coal $25 a ton?

CURRENT OPINIONS

ECONOMIC CONDITIONS CONTROL WHEAT PRICES

Chicago *Tribune*

Speculation has not forced down the price of grain. It cannot force it down, except temporarily, as the result of brief bear raids. The price goes down and stays down only as influenced by the law of supply and demand. It is as ridiculous to blame the board of trade for permanent changes in price as to blame the thermometer for changes in temperature. In the long run the board of trade merely records the price of fluctuations. It does not make them except for the briefest possible periods, and these periods are of practically no consequence to the farmer.

With a large part of China actually starving, with Russia starving, with much of Austria starving, with Germany in need of food, and, as Mr. Hoover says, some 3,500,000 children in Europe clamoring for bread, there is plenty of demand for American breadstuffs. Yet with all that potential market, we have unequalled crops and a lack of demand. That is the reason prices are down. Speculation has nothing to do with it. What is needed is provision by credit systems for sale of our crops to the hungry people of the world. That will bring prices up, as no farm credit and no restrictions of board of trade operations can bring them up.

The farmers must recognize this fact. They must also recognize the inconsistency of their own position. It was only a few years ago when Joseph Leiter cornered the wheat market and artificially forced prices up to a dollar a bushel that farmers were naming their new-born sons after this good angel. That was when the board of trade was credited with putting prices up. Now, when the board is accused of putting prices down, the story is reversed.

Suppose the farmers did succeed in eliminating the board of trade. Through whom and to whom would they sell their grain? Suppose a Parisian baker wanted a carload of American wheat. Would he send an agent up and down the countryside collecting it? Or would he give up in disgust and make shift to do without? There must be some method of central marketing. The board of trade provides it. It may have features which are not perfect. Most human organizations have. But it is not keeping the price of wheat down by artificial methods to $1.50 a bushel when it ought to be $3 a bushel, and no legislation can force it to reverse those prices.

What Europe is suffering for is bread. What we have is a glut of wheat. If we can supply Europe with our excess, both continents will be better off. But Europe is broke—first on account of the war, next on account of the peace of Versailles. Such are the underlying factors.

Victory Bonds

All Issues

Bought — Sold — Quoted

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INVESTMENT BANKERS
14 King Street East, Toronto
Montreal ◆ Ottawa

Sound Investments for January Funds

Individuals with dividends or bond interest due January 1st, or bonds maturing on that day, will be well advised to reinvest such payments in further sound securities.

To those people, we recommend Canadian Government and Municipal Bonds, on which principal is safe and interest prompt and sure. These bonds yield from 6.25% to 7%.

Write for our latest investment list.

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Montreal
Winnipeg

Canadian Pacific Railway Bldg.
Toronto

Saskatoon
New York
London, Eng.

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FOR SALE
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Limited
Darke Block, Regina, Sask.

Town of Oshawa
Debentures

TENDERS will be received until 5 o'clock P.M. Wednesday, January 12th, 1921, for the purchase of $125,000.00—30-year—6% Waterworks Debentures of the Town of Oshawa, repayable in equal annual installments of principal and interest. Tenders to be addressed to

F. E. HARE,
Ass't Treasurer.

WOULD AMEND MUNICIPAL ACT

Majority Vote Sufficient to Carry Bylaws Relating to Hospitals

KITCHENER.—In view of the fact that a by-law to raise $37,800 by the issue of debentures to erect a power house and instal an elevator at the Kitchener-Waterloo Hospital was lost by lacking 30 votes of two-thirds of the total. Assessment Commissioner Heuhnergard, who is a member of the Executive of the Ontario Municipal Association, will propose an amendment to the Municipal Act, asking that a majority vote be sufficient to carry by-laws relating to hospitals.

NEW BROKERAGE OFFICES

MacDougall & MacDougall, a new stock brokerage firm in Montreal, opened their offices at Room 42, Guardian Building, St. James Street, on Tuesday. The members are Major Hartland B. MacDougall, formerly of Meredith & Co., and Robert E. MacDougall, of O'Brien & Williams.

CONFIDENCE FELT IN IRRIGATION SCHEME

Tenders for Lethbridge Northern Issue Are Being Opened Friday

By Resident Representative.

EDMONTON. — Tenders are being received this week for the Lethbridge Northern irrigation debenture issue of $5,400,000. It is the first time such an issue has been made in Canada, and much interest is being shown in its reception by the investing public.

General confidence in the merit of the scheme is felt in government circles here, despite its newness and its bigness. Representatives of leading American bond houses who have had some experience with irrigation bonds, and who have examined the details of the Lethbridge issue, have stated that it is on a quite different and better basis than that of the usual irrigation project across the line, and it is thought to have a correspondingly better chance of success. Some bids from United States buyers are expected.

One of the main selling points in favor of the debentures is recognized to be the measure of government guarantee behind them. While a sum equal only to two years' interest on the total issue is thus guaranteed, this sum is to be perpetual and will be available at any time in case of default by the local district or any of its ratepayers. Considerably more than this was asked for by the promoters of the scheme, but even though the government did not see its way clear to assume financial responsibility for the entire project, which will be followed by others running eventually into $40,000,000 or more, the pledge it has given constitutes, as it is, a good point for selling.

NEWS OF THE BOND MARKET

"GOLD" BONDS NOT PAYABLE IN GOLD AT PRESENT TIME

Investor Has Little Chance of Getting Gold for Interest

A 'WAR DEVELOPMENT'

The United States Was Off The Straight Gold Basis for 14 Years After Civil War

The recent issue of $16,000,000 of "gold" bonds by the Province of Ontario has again brought to attention a question that has periodically bothered financial men since gold payments were suspended by the Dominion government and the country temporarily went off a gold basis. The Ontario bonds were issued, payable as to principal and interest in gold coin, although the Ontario government has no intention whatever of paying interest or principal in gold coin until such time as gold payments by the banks are again resumed. In reply to a communication from a leading Ontario manufacturer, the government of the province states that as gold is not procurable through the banks, payments of interest will be made in ordinary currency.

Similarly with one of the Victory Loan issues, which is payable in gold, the Dominion government has declined to make interest payments in this way.

Demand Gold "Equivalent"

There is no doubt that the refusal of the issuer of "gold" bonds to meet their payments in gold has aroused considerable indignation among many holders of these securities who contend that if actual gold cannot be paid out that its "equivalent" should be paid. The equivalent of gold is described as New York funds, and the proponents of this theory base their contention on the action of the Dominion government in paying New York funds to gold producers for their product when sold to the mint at Ottawa.

The answer given to this assertion by a Canadian barrister, who has made a close study of fiscal and currency matters, is that the only ways in which a premium can be obtained for gold are by exporting it, or by melting it up. The first is forbidden by Order-in-Council; the second would constitute the offence of mutilating gold coins, and is also a serious offence. This authority points out to THE FINANCIAL POST that following the civil war in the United States, gold payments were suspended for fourteen years, during which time the government of that country refused to pay gold in exchange for its notes, or as interest or principal on its bonds. Early in the recent war it was found necessary for Canada to conserve its gold resources and gold payments were suspended. Had not gold payments been suspended and its export prohibited, Canada's gold supplies would have been exhausted in a few days. In the face of this condition, it is obviously impossible for the Canadian or any other bond issuing government to pay its debts or interest upon them in gold, states the authority.

Should "Gold" Bonds Be Issued?

The head of an investment institution, speaking on the subject to THE FINANCIAL POST, characterized as "a fair comment" the statement that it is injudicious for any province or municipality to issue bonds payable in gold unless it is certain that gold payments can be made. This investment banker considers the entire question a development of the war and believes that investors should view it as such before demanding gold payments.

Insurance companies have met with the same problem since gold payments were suspended. Practically all life policies were formerly issued, with the benefits payable in gold coin. Beneficiaries have in a number of instances demanded gold coin but the companies have not been able to meet their demands. In cases where the beneficiaries have demanded the equivalent of gold coin, one company at least has offered to pay the benefit in Dominion government notes, which are of course ordinarily payable in gold, thus leaving to the beneficiary himself the problem of collecting the gold. The insurance companies, however, have not perpetuated their problem, for policies now issued are not payable in gold coin.

QUICK SALE MADE OF N. B. BONDS

Issue Sold at Price Which Cost Province 6½ For Money

When New Brunswick bonds totalling $1,750,000 were offered in Canadian bond centres this week they were taken up within a few hours. The bonds were offered on a basis of 6.30 per cent. in Toronto, Montreal and Maritime cities.

The issue, which consisted of 6 per cent. 15 year bonds, was purchased by Wood, Gundy & Co., the National City Co. and the Eastern Securities Corporation at 95.14, at slightly over a 6.50 basis. Bids received were:

Canadian Payment	
Wood, Gundy & Co., National City Co., and Eastern Securities Co.	95.14
A. E. Ames & Co., J. M. Robinson & Sons, and United Financial Corporation	95.111
A. Jarvis & Co., and Morrow & Jellett	94.03
Osler & Hammond, Housser, Wood & Co., Canadian Debenture Corporation, and C. H. Burgess & Co.	93.517
W. A. Mackenzie & Co., and R. A. Daly & Co.	93.37
Dominion Securities Corporation and W. F. Mahon & Co.	93,147
United States Payment	
J. M. Robinson & Sons, A. E. Ames & Co., and Halsey, Stuart & Co.	97.29
Harris, Forbes & Co., and associates	96.108
W. A. Mackenzie & Co., and R. A. Daly & Co.	96.06
Wood, Gundy & Co., National City Co., and E. H. Rollins & Son	95.55

MANITOBA DISPOSES OF $2,000,000 ISSUE

Toronto Firms Are Successful Tenderers—Province Pays 5.77%

The firms of W. A. Mackenzie & Co. and R. A. Daly & Co., of Toronto, were awarded the $2,000,000 bond issue of the Province of Manitoba this week. The bonds are for ten years, bear interest at 6 per cent. and are payable in both Canada and the United States. At the price paid by the purchasers, 101.11 Canadian funds, the province pays about 5.77 per cent. for the money. The following were the tenders received:

W. A. Mackenzie & Co., R. A. Daly & Co.	101.11
National City Co., Harris Forbes & Co.	101.01
Dominion Securities	100.856
Wood, Gundy & Co., Minnesota Trust & Loan Co., Wells, Dickie & Co., Continental Trust & Savings Co., Blythe, Witter & Co.	100.77
A. E. Ames & Co., United Financial Corporation	98.63

BOND MOVEMENTS OF THE WEEK

	Int.	Due			Latest Prices		Week Ending Dec. 28			
Bonds	Rate	Year		Yield	Ask	Bid	High	Low		Sales
Bell Telephone	5	1925	7.05	93	90	91½	..	91½	91	$20,000
Asbestos	5	1942	7.03	91	74½	77½	77	77½	..	2,000
Can. Steamships, deb.	5	1943	7.90	76½	70¼	..	..	69½	..	1,500
Cedar Rapids	5	1953	5.97	89¼	81	..	86¾	87¼	86	30,500
Dom. Canners	6	1940	7.12	92½	89½	90	88	88	..	2,000
Dom. Coal	5	1940	6.15	90	82¾	..	..	86¾	..	1,000
Dom. Cotton	6	1922	8.15	99	91½	..	96	96	..	1,600
Dom. Iron	5	1929	8.80	86	75	75½	..	76	..	4,000
Dom. Textile (C)	6	1925	8.05	99½	90	..	91	91½	..	2,000
Montreal Trams, deb.	5	1924	14.00	81	64	..	..	64	..	700
Montreal, Dec. '22	6	1922	2.80	..	..	..	106¼	106¼	..	1,000
Do., May, '23	6	1923	3.83	..	..	..	106	106	..	4,500
Do., Sept., '23	6	1923	6.73	...	..	..	..	98½	98	3,600
Ogilvie	6	1932	6.95	100½	89¾	..	..	92¼	..	1,000
Penmans	5	1926	8.10	95	81½	..	85	86	85	3,000
Quebec Rly.	5	1939	9.40	69	55	..	59	59	..	7,500
Rio	5	1935	9.50	75½	60½	..	..	62	..	400
Sao Paulo	5	1929	9.50	79	69¾	73	70	70½	70	9,000
Steel Co.	6	1940	6.83	98	92	..	91	92¼	91	2,900
Wayagamack	6	1951	8.20	87	76	..	..	76	75	9,000
Winnipeg Elec.	5	1927	8.75	..	..	..	..	80	..	10,000
War Loan (1925)	5	1925	6.77	96⅜	89⅞	93	92½	92½	92	29,800
Do., (1931)	5	1931	6.12	98½	88½	91½	91	91½	90¼	50,700
Do., (1937)	5	1937	5.45	100¼	90¼	95	94¾	95	94½	95,100
Victory (1922)	5½	1922	6.87	100	95½	97⅝	97½	97½	96⅞	481,105
Do., (1923)	5½	1923	6.81	100	94	96½	96⅜	96½	95	221,100
Do., (1924)	5½	1924	6.70	95¾	92	..	95⅞	95⅞	94	221,800
Do., (1927)	5½	1927	6.22	101½	94	96	95¾	96	95	160,250
Do., (1933)	5½	1933	5.96	102⅜	93	96	95¾	96	94¾	651,750
Do., (1934)	5½	1934	6.25	93½	89	93	92⅞	93	92	713,750
Do., (1937)	5½	1937	5.71	104¼	93¼	98	97½	97¾	96½	400,600

GREATER INCOME RETURN OBTAINED WITH LESS SAFETY

Bonds of Western Municipalities Must Have Sold at High Yield

BOND MAN'S VIEWS

Investor Must Have Known He Was Sacrificing Certain Elements of Security for High Return

A Toronto bond house writes as follows:

Editor, Financial Post.

We have been very much interested to read the discussion which has been taking place in your columns with regard to certain western municipals, which have defaulted and caused a great deal of annoyance to certain Ohio bankers and others.

While there is, of course, a great deal of justification for their desire to have the situation cleaned up satisfactorily and for their very evident protests and criticisms of the administration of these municipalities we do feel that there is most decidedly something to be said along the lines of what a bond dealer is quoted as having said in last week's FINANCIAL POST.

As you probably know, our house for several years before the war made a most thorough investigation of a great number of the western municipalities in Canada, and it is rather significant to know that we have handled the debentures of only three western municipalities in all the time that we have been interested in Canadian bonds and we have made purchases since 1899 totalling considerably over $100,000,000. The cities referred to are Winnipeg, of course, which we would gladly handle at any time; Brandon and Vancouver—these latter two cities, however, probably not being any better in a great many ways than three or four other western cities, among which we can name Saskatoon and Regina. In other words, we have felt if dealers handle bonds of these small western towns, dependent in some cases on one or two industrials or certain conditions which might be wiped out or altered in such a way as to affect the population and standing of such towns, that the income return from such bonds should reflect more or less their inferiority as a good municipal investment.

In other words, the investor should understand that he was sacrificing certain elements of security for the sake of a greater income return.

We do not know at what comparative prices these bonds were sold in Ohio and elsewhere, but it is very probable that certain dealers marketed these bonds as direct municipal obligations of good Canadian towns, using the municipal feature as a selling argument.

Certain of the towns, such as Prince Albert for example, were probably reasonably sound investments and were handled by conservative houses, but a number of the smaller towns were not, if we are correct, handled by any of the older, more conservative houses, which are very careful as to the bonds they buy before they make any recommendations.

ST. JOHN BONDS SOLD

St. John bonds to the amount of $230,000 have been sold to a syndicate composed of J. M. Robinson and Sons and the Eastern Securities Corporation, Ltd. The bonds consist of $140,000 of ten year 6 per cents and $90,000 of fifteen year 6's.

WEST ABSORBING BONDS

WINNIPEG.—Expansion of western buying of bonds is looked for by Winnipeg houses, who feel that the West is becoming more and more a buying area and not altogether a borrowing one.

A large part of the recent Ontario issue was placed by Winnipeg bond houses, who have also been offering City of Winnipeg bonds on a 6.40 basis with good results.

HAVELOCK SELLS LOCALLY

The village of Havelock, Ontario, is offering to local investors $28,890 of its bonds. The debentures are six per cent. serials, maturing 1921 to 1940, and are being offered to yield 6 per cent.

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FIELD OF MUNICIPAL FINANCE

EDMONTON LOSES ON EXCHANGE BUT DID NOT DEFAULT

Payments in New York Met, After Arrangements With Bank

NEGOTIATING BONDS

Arrangements Being Made for $1,600,000 of Bonds Still Remaining To Be Placed Across the Line

Edmonton suffers a temporary loss of $288,000 on exchange as a result of the suspension of the firm of Morris Brothers, Portland, Oregon, but this will be partially offset by exchange accruing on the proceeds of the bonds which had been held by that firm, should they later be sold in New York.

The circumstances surrounding the Portland incident are believed to be without precedent in Canadian municipal finance and have already attracted wide attention. A good deal that has been published concerning the transaction has not been strictly accurate. The facts of the case are these:

A few months ago Edmonton sold under option $2,135,000 of bonds to the firm of Morris Brothers, in Portland, Oregon, and they were to be negotiated on or before the 31st of December, as the city had obligations approximating $2,075,000 maturing on January 1, and payable at the Bank of Manhattan, New York. The bonds sold in Portland were placed in escrow with the First National Bank in that city, to be delivered to the bond firm as sold and against payment in cash. This is a usual procedure adopted when bonds are sold under option.

Injunction Was Obtained

At the time the firm of Morris Brothers closed its doors in December, approximately $500,000 of the bonds had been taken up from the bank and funds covering this amount were at the credit of the city of Edmonton in the bank. When the firm closed its doors the city would have been fully protected in regard to the remainder of the bonds had not Morris Brothers adopted the unusual procedure of selling a further large block of the bonds and issuing interim receipts for them. The interim receipts were in no sense obligations of the city of Edmonton, but legal action was taken by the holders of the receipts and an injunction was obtained restraining the bank from returning the $1,600,000 of bonds still held to the City of Edmonton. The action was taken at the instance of the creditors and liquidators of the company. One of the injunctions has already been dismissed and it is anticipated that a further application which has delayed the return of the bonds will be similarly defeated.

Imperial Bank Advanced Money

The inability of the city to get hold of the bonds before the end of the year was a serious matter because of the heavy maturities, previously referred to, on January 1. The $500,000 which was to the credit of the city in the Portland bank was forwarded to New York and the Imperial Bank came to the aid of the city and provided the requisite balance of $1,600,000, which enabled it to meet its obligations promptly.

Negotiations are now under way for the re-sale of the bond issue and it is not anticipated that the city will suffer any to any material extent. However, due to the necessity of remitting funds to New York when exchange was at a premium of 18 per cent., the city is necessarily involved in a temporary loss of approximately $288,000, but in the event of the balance of the issue being sold on the other side this will be partially offset by exchange accruing on the proceeds.

The mayor, city council and city treasurer of Edmonton acted with such promptness in the matter that the city was not required to default its maturities even for a day.

The action of the firm of Morris Brothers in issuing interim receipts for the bonds to its customers is a procedure that would be frowned upon by most Canadian bond houses, and probably by most American firms. When large provincial or municipal issues are sold upon quick notice it is often impossible to make delivery of bonds immediately, and interim certificates, issued by the province or municipality itself, are provided in the interval. These certificates are the obligation of the borrower. An interim receipt issued by an investment house is merely an obligation of the house itself and it is probable that a holder of such a certificate, in event of the house going into liquidation, would rank only as an ordinary creditor. For that reason Canadian bond houses never offer their own receipts for bonds except in isolated and individual instances, and it is probable that were they offered they would not be accepted.

NINETY PER CENT. OF TAXES ALREADY PAID

Wetaskiwin Is Improving Its Position — Extended Bonds Being Met

Of 1920 taxes of the City of Wetaskiwin, 90 per cent. have already been paid into the city treasury. As Wetaskiwin is one of the cities in Alberta that was forced to make an arrangement with its bondholders for an extension, this showing indicates a substantial improvement in the municipality's position.

In January, 1920, it was necessary for the city of Wetaskiwin to approach the Financial Commission of the province with a view to a settlement with the bondholders of the amounts that were in arrears. The financial statement which the city submitted indicated that the position of the city was much better than had been thought.

At that time an arrangement was made between the bondholders and the Imperial Bank, whereby the arrears, amounting to $90,000, were covered by bonds running for a short term. All the debentures due this year have been paid in full, as well as the proportion of the arranged debentures.

Of the 1920 taxes, 90 per cent. have already been paid. That is a record that has never been equalled by Wetaskiwin previously. Wetaskiwin has never been in a serious position financially, and it is felt that if the attention had been paid to financial matters during the past five years that has recently been given to them that there would have been no necessity for an arrangement with the bondholders to extend the municipality's indebtedness.

Money By-Laws

TENDERS WANTED

Jan. 12, Kenora.—$82,319.38, 6½ and 7%, 10, 15, 20 and 35-year, various debentures. F. J. Hooper, Clerk and Treasurer, Kenora. (See announcement elsewhere on this page.)

Jan. 8, Laval-sur-le-Lac, Que.—$60,000, 6% serial bonds, due 1950.

Jan. 12, Oshawa.—$125,000, 6%, 30-year waterworks debentures. F. E. Hare, Assistant-Treasurer, Oshawa. (See announcement elsewhere on this page.)

BY-LAWS TO BE VOTED ON

Jan. 14, Fort Garry R. M., Man.—$50,000 for school purposes.

Jan. 22, Brooklands S.D., Man.—$40,000 and $80,000, for school purposes.

BY-LAWS PASSED OR DEFEATED

St. Thomas—$233,000, 20-yr. debentures for erection of concrete dam across Kettle Creek. Passed by the ratepayers on Jan. 3.

Brantford.—$174,000 for extensions of waterworks; $125,000 for new school, passed by the ratepayers on Jan. 1; $185,000 for addition to Collegiate Institute, defeated by the ratepayers on Jan. 1.

Scarboro.—$25,000 for purpose of establishing a township cemetery. Passed by the ratepayers on Jan. 1.

Mimico.—$14,000 for purchase of a public park; $23,000 for purchase of school site. Passed by the ratepayers on Jan. 1.

Hamilton.—$300,000 for nurses' home, passed by the ratepayers on Jan. 1.; $6,114,000 for municipal gas plant; $500,000 for Isolation Hospital; $500,000 for addition to Mount Hamilton Hospital; $200,000 for Mountain roadway, defeated by the ratepayers on Jan. 1.

Kitchener—$37,800 for erection of a power house to install an elevator at the Kitchener-Waterloo Hospital, defeated by the ratepayers.

London.—$100,000 for motor bus system, defeated by the ratepayers on Jan. 1.; $50,000 for Home for Incurables; $50,000 for new Children's Hospital, passed by the ratepayers on Jan. 1.

Peterboro.—$350,000 for construction of filtration plant, passed by the ratepayers on Jan. 1; $3,000 for purchase of park property, defeated by the ratepayers.

Windsor.—$50,000 for civic asphalt plant; $175,000 for new police station, passed by the ratepayers on Jan. 1.

Galt.—$55,000 addition to hospital, passed by the ratepayers on Jan. 1.

St. Catharines.—$35,000 for improvements to new cemetery annex, passed by the ratepayers on Jan. 1.

Guelph.—$50,000 for improvements to park, defeated by the ratepayers on Jan. 1.

Waterloo.—$9,500 hospital by-law, carried by the ratepayers on Jan. 1.

SASK. FARM LOAN BONDS GO SLOWLY; MAY CHANGE PLAN

Possible That Other Means of Financing Loans Will Come

SALES TOTAL $400,000

Three Applications for Loans Received to Every Subscription to Bond-Selling Campaign

By Resident Representative.

REGINA.—On October 26, a campaign to sell $3,500,000 worth of Saskatchewan farm loan debentures to raise working capital for the Saskatchewan Farm Loan Board was launched by the provincial treasurer, and at the end of the year approximately $400,000 had been raised in this manner. The campaign was heartily endorsed by agrarian organizations in the province and by the people generally; but the money simply is not in the province wherewith to purchase the debentures on the scale necessary to meet the demands being made upon the board by farmers anxious to secure loans at 6½ per cent. This was made clear by the Hon. Mr. Dunning, in his budget speech on December 6, when he pointed out that as a result of the campaign put on to sell farm loan debentures, three applications for loans were being received to every subscription recorded.

Rate Not High Enough

The test to which the Saskatchewan rural credit scheme is now being put has revealed its greatest weakness. The scheme is founded on the assumption that those who have money to invest in a province approximately 75 per cent. of the population of which is composed of farmers are prepared to invest it at 5 per cent., so that those who need to borrow money can obtain it at a rate considerably lower than that generally demanded by private companies. The weakness of the scheme lies in the fact that the same condition that requires one farmer to borrow money leaves his neighbor without the power of lending it. Generally speaking, successful rural credit schemes are found only where there is a considerable artisan population whose savings may be attracted to agricultural investments. Where the borrower and lender are both dependent upon the land for their earnings, a period of unprofitable crops is bound to effect a conjunction of a greater demand for loans with a restriction of investable funds.

That is what happened in Saskatchewan. The province has no appreciable population whose prosperity is not more or less directly dependent upon its crops. At the present time they have not the money to invest in farm loan debentures, although they admit the attractiveness of this form of investment; and it is not improbable that other means of financing the farm loan board, either in whole or in part, may have to be devised.

C. P. R. EXEMPTION UP

Edmonton Will Now Tax Railroad on Strathcona Lands

EDMONTON.—A fifteen-year exemption period on property held by the Canadian Pacific Railway on the south side of the city will expire next year. When the railway company established its terminals in what was then Strathcona, the town entered into an agreement by which both municipal and school taxes on 72 acres of land were waived for fifteen years. On this understanding, the railway undertaking to put in terminal facilities, the land was transferred and has been tax-free since 1906.

The fifteen years will expire on July 1, 1921, and the property will then again come under taxation. On a 45-mill rate, as now in force in Edmonton, the C. P. R. will pay about $15,000 more into the city treasury as a result of this expiry, making its total tax payments in this city in the vicinity of $50,000 per year. The original agreement between the company and the town has been carried out by the city since Strathcona amalgamated with Edmonton.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
Jan. 5	Manitoba	W. A. Mackenzie & Co., R. A. Daly & Co.	6%	10-yr	$2,000,000	101.11	5.77
Dec. 31	New Brunswick	Wood, Gundy & Co., National City Co. and Eastern Securities Co.	6%	15-yr.	1,750,000	95.14	6.50
Jan. 4	St. John	J. M. Robinson & Sons	6%	10-yr.	140,000	.....	....
		Eastern Securities Corp.	...	15-yr.	90,000	.....	....

An Ideal Time

Under present conditions investors have the opportunity of purchasing Canadian bonds at bargain prices. Those who are in a position to purchase securities to-day are undoubtedly securing them at low levels, and may expect considerable appreciation in their investments over the next few years.

The January issue of "Bond Analysis," a monthly publication for investors who desire to keep posted in the Bond markets, will be ready shortly. A copy will be mailed upon request.

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INVESTMENT BANKERS
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Consider What Exchange Rates Mean To You

The rate of exchange in funds between the United States and Canada is a very important factor in the investment of your money.

Sound securities of Canadian companies can be purchased with principal and interest payable in American funds, thereby considerably increasing their earning power.

Exchange rates are high, with every indication that they will remain so for some time, so we strongly advise investors to fully investigate the possibilities.

We would be pleased to supply complete information.

RICHARDSON, SHEPPARD & THORBURN
LIMITED
INVESTMENT SECURITIES
Royal Bank Bldg. - Toronto

TOWN OF KENORA DEBENTURES

Sealed Tenders will be received by the undermentioned up to 12 Noon Wednesday, the twelfth day of January, 1921, for the following Debenture Issues, Totalling $82,319.38.

Bylaw Nos. 756 and 773—Electric Utility 7% Instalment Debentures, Principal and Interest payable 1st day Aug. each year, in 15 equal annual instalments. Final instalment payable 1st Aug., 1935................$10,000.00

Bylaw No. 781—Waterworks, 20-year, 7%, $1,000.00 Debentures. Interest payable semi-annually on the 30th June and 31st Dec. Maturing 30th June, 1940 ....$20,000.00

Bylaw Nos. 770 and 772—Consolidated Debt, 33-year, 6½%, $1,000.00 Debentures. Interest payable semi-annually on the 30th June and 31st Dec. Maturing 31st day of Dec., 1953 ....$13,564.87

Bylaw No. 774—Electric Debenture, 10-year, 7%, $500.00 Debentures. Interest payable semi-annually on the 1st Feb. and 1st Aug. Maturing 1st day of Aug., 1930..............$6,000.00

Bylaw Nos. 768 and 775—Public Improvement, 7% Instalment Debentures. Principal and interest instalments payable yearly on the 1st day of Aug. in 20 equal annual instalments. Final instalment payable 1st Aug., 1940 ....$25,000.00

Bylaw Nos. 766 and 776—Local Improvement 7% Instalment Debentures. Principal and interest payable 1st day Aug. each year in 20 equal annual instalments. Final instalment payable 1st Aug., 1940 ....$7,755.38

The above Debentures are payable both as to Interest and Principal at the Imperial Bank of Canada, Kenora, Ontario.

F. J. HOOPER,
Clerk and Treasurer.

Kenora, Ont., Dec. 3rd, 1920.

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Head Office: Montreal

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Canada's *Zenith* Company
Authorized Capital - $500,000.00
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INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
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APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

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The object of business insurance is to insure the "brains" of an organization. Knowledge, combined with administrative ability, is invaluable. Every business, large or small, depends primarily upon one or more experienced leaders. The death of any one of them would result in a heavy financial loss. There would be heavy going until the deceased official was replaced by someone of equal ability. The possession of a policy of insurance payable to the firm in the event of the death of such a leader is essential. Joint policies payable on the death of the first partner, or (preferably) separate policies on the lives of the individual partners in favor of the survivors are issued by the Mutual Life of Canada. It will be the object of the company to adapt each business policy to the particular requirements of the insuring firm. Consult our representative. He will be glad to advise you regarding business insurance.
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INSURANCE AND REAL ESTATE

OPPOSES CUTTING OF COMMISSIONS TO FIRE AGENTS

Proposed Legislation "Bolshevistic in Its Disregard of Long-standing Rights"

DOOMED TO FAILURE

Insurance Man Enters Emphatic Protest Against Government Stand—Cost to Public Diminished

A. H. Carson, president of the London Mutual Fire Insurance Company of Canada, with head office in Toronto, in a letter addresed to V. Evan Gray, Superintendent of Insurance, makes emphatic protest against the proposed legislation to limit the commissions of fire insurance agents operating in Ontario. He characterizes this bill as "class legislation, Bolshevistic in its utter disregard for rights of long standing, savoring of government control which as a war measure met with some success, but which has recently been abolished in the public interests, and contrary to the law of supply and demand, and consequently foredoomed to utter failure!"

The fire insurance business, he points out, in common with all others, has had to contend with increased expenses of every kind during the past few years, and the fire insurance agent has had to get an increased commission to enable him to live in reasonable comfort. Mr. Carson quotes figures extracted from government blue books to show that, notwithstanding these increased costs of doing business, the cost of insurance to the public has decreased rather than increased during the past twenty years. The figures are as follows:

	1899	1919
Average rate of premium charged by Canadian Companies	1.27	1.12
Average rate of expenses of Canadian Companies	34.41%	40.27%
Actual expenses per $100 of insurance written	48.7c	45.1c
Deduct Taxes (uncontrollable expenses) taking London Mutual figures for purposes of comparison, (1899, .59% of 1.27; 1919, 3.55% of 1.12)	.75	3.5
Balance being controllable expenditure	42.95c	41.6c
Average rate of commission approximately	15%	20%

Premium Rates Reduced

It would appear, therefore, he adds, that the average rate of premium has been reduced from 1.27 per cent. in 1899 to 1.12 per cent. in 1919, or a reduction of 15 per cent. per $100. At the same time the costs within the power of the companies to control have been reduced from 42.95 cents in 1899 to 41.6 cents in 1919. Therefore, while the rate of commission has increased by possibly 5 per cent., the increase has been accompanied by a decrease in cost to the public and a decrease in the controllable expense of the companies.

Mr. Carson submits the further argument that if the government considers it necessary to perpetrate an injustice on one section of the community—in this case, the fire insurance agents who would suffer from decreased earnings—in the public interests, why not bring in legislation reducing the profits of food producers by twenty to twenty-five per cent. and so materially lower the cost of living?

It has always been the object and aim of all insurance managers, he adds, to attract and retain in the business as agents men of character and ability, and to eliminate as far as possible agents who do not show a disposition to realize the responsibilities of their position. There was only one way to attract the right class of man, and that was by way of adequate commission. The proposed bill, he concluded, defeated this object and was therefore contrary to the public interest.

CUBAN CONDITIONS

Substantially Favorable Balance of Trade Reported

WASHINGTON.—Report of the Cuban Secretary of the Treasury shows that in the 1918-19 fiscal year the international trade was $794,000,000. Exports were $477,000,000, re-exports about $1,400,000, and imports $316,000,000. Balance in Cuba's favor was almost $162,000,000. Although for the last seventeen years the balance has always been in Cuba's favor, this year was the record. The movement in specie was also in Cuba's favor by above $4,400,000.

CONSTRUCTION TOTAL INCREASES FOR 1920

Leads Two Previous Years by Wide Margins—Slump at Close

The construction contracts awarded throughout the Dominion during the past year reached a total value of $255,605,500 which compares favorably with $189,821,300 for 1919, and $99,842,300 for 1918. These figures which have been compiled by MacLean Daily Reports, Limited, indicate a substantial revival during the year just closed over the two previous years when conditions were still suffering from the effects of the war. It is interesting to speculate to what total the building this year would have been reached if conditions had been normal. During the first six months of the year, when business generally was flourishing construction of all kinds proceeded almost on a par with the boom days before the war, but in the later months when building could be carried on only with extreme difficulty in the matter of costs, the volume under way depreciated sharply.

The totals, month by month, will indicate the rise and fall of construction in Canada. They are as follows: January, $16,065,500; February, $18,337,100; March, $21,278,100; April, $31,071,600; May, $28,702,200; June, $29,282,600; July, $24,258,300; August, $23,474,800; September, $20,820,100; October, $18,169,500; November, $15,399,200, and December, $8,746,500.

TWO MILLION DAILY FIRE LOSS IN U. S.

One-fourth of Values of New Buildings Goes Up in Smoke

NEW YORK.—The loss from fire on buildings, insured and uninsured, with the maintenance of water supply and fire department service, costs the United States more than $2,000,000 a day. Last year 15,219 persons were burned to death and 17,641 were seriously injured.

T. Alfred Fleming, supervisor of the Conservation Board Department, National Board of Fire Underwriters, who has compiled the above statistics offers some further comment upon the fire hazard on the other side. In the past five years, he states, $29,271,000 in value in dwelling houses has been consumed from one cause, sparks lighting on shingle roofs. The hazard of electricity has been much over-rated, too, he declares. In 1919 $15,444,653 in value was destroyed from electric causes. Forty-six per cent. of this amount is ascribed to the electric iron. The average spent each year during the last decade was $914,376,500 for construction of new buildings. The average fire loss was $242,201,600, showing that approximately one-fourth of the sum actually spent for new buildings since 1910 had gone up in smoke.

ACCIDENTS AMONG WORKMEN INCREASE

Record Distribution for Assistance in Ontario During Past Year

The Ontario Workmen's Compensation Board reports a substantial increase in the number of accidents among workers in the province during the past year as compared with the previous twelve-month period. A total of 54,851 accidents were reported to the Workmen's Compensation Board in 1920, or 10,591 more than during 1919. The fatal accidents reported numbered 452 in all, against 429 for the previous year. The daily average was 182 accidents or one accident every three minutes of the working day.

The amount awarded for compensation during the year was $7,076,439, and the amount for medical aid, $703,705, making a total of $7,780,145, as against a total of $4,192,859 during 1919, and $3,883,994 during 1918. The increase is attributed largely to the increased benefits provided for under the amendments to the act, including the increase in death pensions for accidents happening in previous years. Cheques issued during the year averaged 494 a day, and the benefits awarded $26,000 a day.

About a half a million workmen are now under the protection of the act, and including the pensioners from former years and the families of workmen and pensioners it is estimated that over 100,00 people every year are receiving some part of their maintenance from the benefits

NEW PLAN OF LIFE INSURANCE TO BE TRIED IN CANADA

No Medical Examination for Policies Ranging Up to $1,000

CUT DOWN EXPENSES

Scheme Has Proven Successful in Great Britain—Applicant Makes Formal Declaration of Physical Condition

A number of Canadian life insurance companies are making arrangements to issue policies ranging up to $1,000 without requiring the insured to undergo the formality of a medical examination. The scheme is new in Canada but it has been in operation in Great Britain for a number of years and has been tried out by some American companies with considerable success.

The increasing cost of examination fees is thought to be the motive that prompted the insurance companies to adopt such a course of action. In connection with the policies that will be issued the applicant for insurance will be required to answer a list of searching questions.. These shall follow the usual course adopted in insurance policies, but little loopholes will be allowed for misrepresentation on the part of the applicant of his physical condition. His answers will be a part of the contract, and if at any time it can be shown that he deliberately misrepresented his condition the policy will be cancelled and he will forfeit his premium payments as well.

J. B. McKechnie, general manager of the Manufacturers' Life, states that the scheme has been under consideration for some time, and he estimates that three out of every four Canadian companies will adopt it. In fact some four or five companies are putting the plan for insurance without medical examination into force immediately. Under this arrangement it is expected that the preliminary costs of insurance which range comparatively high on small amounts will be considerably reduced. Mr. McKechnie stated that he did not consider that any more scope was allowed for misrepresentation of the applicant's condition under the new arrangement. Under the old system it was often possible for the insured to hide some grave physical condition from the examining physician, but under the present plan, the questions will be of a searching and far reaching nature and the fact that the applicant runs the risk of the cancellation of his policy in the case of misrepresentation, would discourage attempts at deception.

May Increase Policies

In England the scheme had worked out successfully in connection with insurance up to £1,000, and it is probable that if the experience in Canada is satisfactory policies for larger amounts will be issued without medical examination.

Whether the new scheme would tend to bring in more business to the insurance companies, Mr. McKechnie was not prepared to say, but he pointed out that it would expedite the closing of new business in some districts. In rural parts especially there was often delay, and occasionally some business was lost, because of the fact that an examining physician was not always readily available.

The new scheme is not an outgrowth, nor has it any connection whatever with group life insurance which was adopted by a number of Canadian companies during the past year. Under the group plan insurance is granted any member of a group, no matter his physical condition. Under the new arrangement the companies will continue to exercise due caution in the selection of their risks, and if the answers on the form do not indicate that the applicant is of the required physical standard, insurance will not be allowed.

AUSTRALIAN WOOL

BOSTON.—Cable advices from its Australian correspondent to the First National Bank of Boston state that the Australian wool sales have been postponed until February. The private market shows rather more inquiry. It is thought that the plan for the organization of a company with a capital of about £25,000,000, to control the balance of the Australian wool held under the British Government's purchase scheme until realization can be effected will be adopted. The growers will be allotted a half share in the form of shares and debentures.

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THE
Canadian Bank of Commerce

Annual Meeting

The Annual General Meeting of the shareholders of the Bank for the election of Directors, and for other business, will be held at its Banking House in Toronto on Tuesday, the 11th day of January, 1921. The chair will be taken at twelve o'clock noon.

By order of the Board,
JOHN AIRD,
General Manager

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for
BANK MANAGERS

"Loans and Discounts"

This is one of the most valuable books in the Shaw Banking Series. It discusses the bank man's loaning and discount problems from a practical point of view..$2.50

"A Rational Banking System"

The writer of this work, H. P. M. Eckardt, spent nineteen years in the service of a Canadian bank, and since his retirement in 1905 has spent his life in the United States studying banking and financial problems. In this work he shows the strength of the Canadian banking system and its superiorities over the American system..$1.50

"The World's Gold"

This is the famous work of DeLaunay and it is especially valuable to students of economics at the present time, when the demand is insistent that the world get back to a gold basis. The volume treats of gold, in its scientific, technical and economic aspects $1.75

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MACLEAN PUBLISHING CO.
Limited
143 University Avenue Toronto

CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on Jan. 4. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization			Div.	Yield	COMPANY	Range				Close		Week Ending			Sales
						1919		1920 to Dec. 28		Jan. 4		Jan. 4			
Preferred	Common	Bonds and Debentures	Rate	to Dec. 28		High	Low	High	Low	Ask	Bid	High	Low	Close	
......	5 000 000	6 160 600	6	10.62	Abitibi Power & Paper com	290	48	87	49½	56½	56	58	55½	56¾	4,004
1,000 000	......	......	7	8.18	Abitibi Power & Paper pref	...	...	99	80	90	...	85	85	85	15
......	6 594 300	......	.....	.....	Amer. Cyanamid com......	47	38	36	35½	...	...	...	...	...	...
994 200	......	......	6	.....	Amer. Cyanamid pref......	...	...	65	62	...	...	...	...	...	...
......	3 500 000	1 473 666	.....	.....	Ames-Holden com........	180	26	137	10	...	...	...	...	...	...
2 500 000	......	......	7	.....	Ames-Holden pref........	116¼	116¼	114¾	28	26	...	30	27	30	63
......	614 660	537 442	.....	.....	Amer. Salesbook com......	...	...	35	6	...	...	...	...	...	...
3 073 300	......	......	7+1¾	10.00	Amer. Salesbook pref......	...	...	83½	70	...	...	...	...	...	...
......	3 000 000	2 940 000	6	8.00	Asbestos Corp. com........	91¼	44	103	64	79	...	84	78	79	579
4 000 000	......	......	7	7.77	Asbestos Corp. pref........	103	61¾	108	83	89	88	92½	87¼	88¾	245
......	3 500 000	1 345 000	10	.....	Altantic Sugar com........	75½	19	164	16	21¼	19½	22	19	22	2,630
2 500 000	......	......	7	8.28	Atlantic Sugar pref........	123	65	184	84½	...	...	85	84½	84½	1,720
8 483 500	27 450 000	64 063 875	.....	.....	Barcelona Traction........	13¼	5¾	9¾	3¼	4¼	3⅞	4½	4½	4½	385
......	22 336 300	11 149 000	8	7.92	Bell Telephone...........	133	110	111¼	100	100	98	101	99¼	100	154
......	4 282 200	......	6	15.37	B. C. Fishing...........	71	46	66	34	38½	37½	40	38	40	202
10 000 000	106 566 300	77 192 132	.....	.....	Brazilian Traction com.....	61	50	51¼	28	31⅜	31	32¼	30	32½	2,140
......	858 500	17 234	10	10.52	Burt. F. N. com..........	112¾	71	110	88	...	...	...	...	...	...
1 866 700	......	......	7	7.10	Burt. F. N. pref..........	110⅛	90	110	90	...	96	96½	96¼	96¼	4
2 000 000	7 000 000	2 375 000	7	13.33	Brompton Paper...........	87	55	85	42¼	55¼	55	57¼	53¾	54¼	11501
......	2 500 000	1 146 872	.....	.....	Canada Bread com........	33	18	32½	19	20¼	19½	20½	19	20½	185
1 250 000	......	......	7	8.13	Canada Bread pref........	87	78¼	86½	84	87	84	85	85	85	15
......	4 975 000	7 757 822	.....	.....	Can. Car & Fdry com......	72½	28	74	28	...	...	...	...	...	...
7 500 000	......	......	7	8.43	Can Car & Frdy. pref......	108½	82	109	77	69	65	69	67	69	60
......	13,500 000	6 509 573	6	10.52	Canada Cement com......	74	63	75	54¼	...	58	58¼	56½	58¼	252
10 500 000	......	......	7	7.77	Canada Cement pref......	103¾	95	100	88¼	90	88¾	90½	90	90	310
......	1 733 500	399 000	7	12.96	Can. Converters..........	71½	45	80	51	...	59	60	55	60	384
......	2 805 500	9 500 000	.....	.....	Can. Cons Rubber com....	150	...	100	...	...	...	...	...	...	...
3 000 000	......	......	7	7.00	Can. Cons. Rubber pref....	100	97	...	...	...	...	...	...	...	...
......	2 715 500	4 567 105	8	11.26	Can. Cottons com........	98	67	100	71	73	72	73	71	73	520
3 661 500	......	......	6	8.76	Can. Cottons pref	87¼	76	83	68½	...	70	70	70	70	15
......	960 000	173 200	12	.....	Can. Forgings, com........	209	175	257	114	...	...	...	...	...	...
960 000	......	......	7	7.60	Can. Forgings, pref........	92	89½	92	91	...	...	...	...	...	...
......	8 000 000	......	8	8.79	Can. Gen. Electric com....	116	101½	109	90¼	94	95	95	92	94½	205
2 000 000	......	......	7	7.77	Can. Gen. Electric pref....	100	99½	104	90	91	90½	91	90	90	124
......	2 000 000	1 500 000	8	9.52	Can. Locomotive com......	105¼	60	100	80	...	...	...	...	...	...
1 500 000	......	......	7	8.13	Can. Locomotive pref......	97½	89½	95	80	84	...	83½	83¼	83½	10
80 681 921	260 000 000	271 934 882	10	7.37	Can. Pacific Railway......	175	160	142	125	...	137	137½	135½	137¼	308
......	800 000	369 000	8	8.88	Can Salt.................	147	135	147	90	...	...	...	...	...	...
......	12 000 000	7 979 619	7	16.08	Can. Steamships com......	81	41½	80¼	34	48	47	48½	43	48	2,869
12 500 000	......	......	7	10.93	Can. Steamships pref......	87½	77	85	60½	70	69	70	64	69	454
......	1 200 000	454 500	.....	.....	Carriage Fact. com........	33	13	49½	7½	...	...	...	...	...	...
1 200 800	......	......	.....	.....	Carriage Fact. pref........	80	46	90	72¼	...	...	...	...	...	...
......	565 000	......	.....	.....	City Dairy com...........	62½	48	62	50	...	...	...	...	...	...
700 000	......	......	7	8.23	City Dairy pref	95	94	99	85	...	...	...	...	...	...
......	5 360 700	......	10	7.60	Consumers Gas...........	152	138	150	125	133	...	131½	131½	131½	2
......	6 212 666	......	6	15.00	Crow's Nest Coal.........	65	49½	59½	40	47	40	45	45	45	3
......	15 000 000	35 757 500	8	9.19	Detroit United Rly........	113	94	113¾	79¼	90	86	92	86	90¼	584
......	6 500 000	......	8	10.38	Dominion Bridge..........	123	94	115	69¼	88	87½	87¾	77	87½	245
......	2 796 300	1 719 410	.....	.....	Dom. Canners com........	65½	34	65	26	35	34	35	30	34	579
2 290 600	......	......	7	8.75	Dom. Canners pref........	92	76	90	79	...	...	...	...	...	...
3 000 000	15 000 000	5 864 500	7	10.00	Dominion Coal pref........	100	95	97½	70	70	64	64	56	56	68
......	4 250 000	1 683 363	4	7.40	Dominion Glass com	73½	44½	69¾	52	...	...	56	55	56	245
2 600 000	......	......	7	8.43	Dominion Glass pref	94	88¾	91	82¼	...	...	77½	77¼	77¼	50
5 000 000	25 000 000	13 434 313	7	10.14	Dominion Iron pref........	100	91	92	65	...	68½	68	68	68	17
7 000 000	37 100 000	20 450 682	6	14.12	Dominion Steel Corp......	75¼	58¼	79	39	45	42¾	43½	42½	42¾	1,607
......	1 000 000	......	6	7.40	Dom. Telegraph..........	90¾	85	91½	80	...	81	81	81	81	6
......	5 000 000	4 767 500	10	9.80	Dom. Textile com.........	125⅞	100	146½	96¼	104¼	102½	105½	102½	104¼	258
1 940 600	......	......	7	7.77	Dom. Textile pref.........	108	101	105	89	...	...	91¾	90	90	75
1 500 000	3 500 000	3 500 000	4	.....	Duluth Superior..........	32½	27⅞	28	12	13	12	13	13	13	105
......	2 250 500	950 000	.....	.....	Goodwins com............	28	10	35	25	...	...	...	...	...	...
1 750 000	......	......	7	9.33	Goodwins pref............	80	45	95	75	...	...	...	...	...	...
......	1 000 000	225 000	.....	.....	Holt Renfrews com........	...	...	70½	62	...	...	...	...	...	...
1,000,000	......	......	7	8.75	Holt Renfrews pref........	...	...	85	80	...	...	...	...	...	...
......	2 500,000	800,000	8	7.27	Howard Smith Paper com.	151	65	167	75	112½	109	110	110	110	50
1,500,000	......	......	8	8.79	Howard Smith Paper pref.	99½	78	110	91	...	...	...	...	...	...
7,289,500	......	......	6	9.23	Illinois Traction perf......	80	67	70	64	...	...	65	65	65	70
500,000	6,267,005	......	25c.	.....	International Petroleum...	62	19¼	82	20	...	...	...	...	...	...
......	2,198,018	1,902,500	8	8.69	Kaministiquia............	...	...	97	83½	...	...	87	87	87	40
......	2,800,000	900,000	12	8.88	Lake of the Woods com...	229½	157	220	130	...	136	136	134	136	34
1,500,000	......	......	7	7.48	Lake of the Woods pref....	110	106	112	93½	...	...	...	...	...	...
......	9,600,000	565,778	6	6.63	Laurentide Paper.........	276	192	125	81	92	91½	95	90	90	2,825
1,300,000	1,750,000	934,900	8	16.17	Lyall Construction........	165	64	99	35	47½	46	49	46	46	162
2,388,600	3,000,000	......	.....	.....	Macdonald A. com........	44¾	21¼	44¼	20	...	19	20	20	20	150
......	41,380,400	......	6	8.69	Mackay com..............	82	71¼	79½	67¼	70	69	69½	68	69¼	177
50,000,000	......	......	4	6.25	Mackay pref..............	69½	64½	74	61	...	63½	63½	63	63	93
......	2,500,000	......	12	8.65	Maple Leaf Mill com	209	121¼	196	133	...	...	...	...	...	...
2,930,000	......	......	7	7.52	Maple Leaf Mill pref......	107	96¼	104	92	...	...	...	...	...	...
......	1,275,000	......	.....	.....	Monarch Knitting com.....	65	50	75	60	...	...	...	...	...	...
750,000	......	......	7	8.23	Monarch Knitting pef......	92	78	90	80	78	...	...	80	80	2
......	2,949,600	......	6	7.59	Montreal Cottons com.....	85	58¾	87	78	...	...	...	...	...	...
2,949,600	......	......	7	7.77	Montreal Cottons pref.....	105	100	105	90	...	...	...	...	...	...
......	64,126,100	......	5	6.32	Montreal L.H. & P. cons..	95	84½	90	76	82	81¾	82¼	79	81½	1881
......	2,000,000	......	8+¼	7.27	Montreal Telegraph.......	125	120	124	110	...	...	...	...	...	...
......	3,861,070	36,608,133	10	8.00	Montreal Tramways.......	160	114¼	155	125	...	...	...	...	...	...
......	7,254,300	1,500,000	5	8.69	National Breweries com...	199	15	70	32¼	49	48¾	52½	49½	51¼	8,425
2,775,000	......	......	7	7.36	National Breweries pref...	[illegible]	55	97	93	...	...	...	...	...	...
......	2,000,000	......	.....	.....	Nat. Steel Car com........	16	4	12	3	...	...	...	...	...	...
1,500,000	......	......	7	.....	Nat. Steel Car pref........	59	18	41½	21	23	21	23	22¾	23	20
......	15,000,000	11,102,437	5	13.51	N. S. Steel & Coal com....	97	48	80	33	...	36	39	36½	37	115
1,000,000	......	......	8	10.66	N. S. Steel & Coal pref....	112	104½	107	75	...	...	...	...	...	...
......	2,500,000	2,350,000	12+10	6.66	Ogilvie Milling com.......	298	194	280	175	...	...	...	...	...	...
2,000,000	......	......	7	7.07	Ogilvie Milling pref.......	110	104½	105½	97	100	...	100	100	100	35
......	750,000	538,200	8	13.79	Ont. Steel Products com...	58	27	89	50	...	...	...	...	...	...
750,000	......	......	7	.....	Ont. Steel Products pref...	90	75	89½	89	...	...	...	...	...	...
......	3,500,000	2,125,000	6	8.57	Ottawa L. H. & P..........	87	75	81	70	...	...	...	...	...	...
......	650,000	......	2	5.40	Pacific Burt. com.........	40	25	42	30¼	35	...	34	34	34	5
650,000	......	......	7	9.21	Pacific Burt. pref.........	85	75	85	76	...	...	...	...	...	...
......	2,150,600	2,000,000	8	8.42	Penmans Ltd. com........	112½	77¼	148½	93	95	90	97	94	97	80
1,075,000	......	......	6	8.10	Penmans Ltd. pref........	98½	82¾	91½	74	...	...	...	...	...	...
......	749,500	......	.....	.....	Port Hope Sanitary com.	...	...	27	25	...	...	...	...	...	...
400.000	......	......	7	.....	Port Hope Sanitary pref...	...	...	...	...	...	...	...	...	...	...
......	3,000,000	3,837,666	.....	.....	Porto Rico Rlys. com......	35	23	50	28½	...	35	37	37	37	5
1,000,000	......	......	7	10.93	Porto Rico Rlys. pref......	...	...	75	60	64	63	65	64	65	25
......	8,534,200	5,372,098	8	3.20	Price Bros...............	260	150	385	250	...	...	252	250	250	96
......	2,481,300	95,000	6+1	6.31	Provincial Paper com......	83	51	132	80½	...	...	...	...	...	...
1,700,000	......	......	7	8.04	Provincial Paper pref......	90	85	100	85	...	...	...	...	...	...
......	9,999,500	11,045,000	.....	.....	Que. Railway L.H.........	30½	16½	36¾	18¾	23	22½	24	21¾	22½	1,470
......	4,500,000	5,909,400	10	7.63	Riordon Paper com........	191	119¾	226	120⅞	136	133	139	131	135	1,369
1,500,000	......	......	7	8.43	Riordan Paper pref........	100	94	101	83	...	...	...	...	...	...
......	1,500,000	502,000	.....	.....	Rogers Wm. com..........	80	25⅛	71	52	...	...	...	...	...	...
1,122,800	......	......	7+1¾	8.75	Rogers Wm. pref..........	95½	65	102	80	...	...	...	...	...	...
......	800,000	......	7	9.33	Russell Motor com	102¼	68	89	70	...	...	...	...	...	...
1.200,000	......	......	7	.....	Russell Motor pref........	109	70	98	40	70	...	50	45	50	19
......	1,500,000	478,868	.....	.....	Sawyer-Massey com	22	8	19	13	...	...	...	...	...	...
1,500,000	......	......	.....	.....	Sawyer-Massey pref......	67	30	67¼	44	40	35	35	35	35	43
......	20,000,000	9,353,261	7	6.73	Shawinigan W & P........	127½	114½	119½	97¼	104	102	105	103	105	929
......	4 000,000	2,226,006	6	.....	Sherwin Williams com.....	80	60	119	75	...	...	...	...	...	...
3,425,000	......	......	7	8.13	Sherwin Williams pref.....	102	90	100	85¾	...	...	...	...	...	...
......	8,750,000	......	8	6.03	Shredded Wheat com.......	147	124	142	130¼	...	...	...	...	...	...
1,250,000	......	......	6	6.12	Shreded Wheat pref.......	90	89	98	...	...	...	...	...	...	...
......	8,000,000	10,332,113	7	8.13	Spanish River Pulp com...	90½	17	129	75	86	85	89¾	84½	85¼	8,846
5,699,100	......	......	7	7.69	Spanish River Pulp pref...	130½	63¼	149	82	93	92	95	91	93	5,036
......	11,500,000	8,562,225	7	11.96	Steel of Canada com......	88¼	57½	88¼	54¾	60	59	60	58½	60	1,467
6,496,300	......	......	7	8.13	Steel of Canada pref......	110	91½	101½	85¾	86½	...	88	86	87	253
......	1,200,000	160,590	6+1	10.17	St. Lawrence Flour com....	151	87¼	139	59	...	...	...	...	...	...
575,000	......	......	7	7.36	St. Lawrence Flour pref...	98	80	98½	92	...	...	...	...	...	...
......	7,894,000	1,440,000	.....	.....	St. Maurice Paper.........	...	...	170	123	125	...	120	120	120	40
......	650,000	......	.....	.....	Tooke Bros. com..........	73	20	86	67	...	...	...	...	...	...
985,000	......	......	7	8.43	Tooke Bros. pref..........	92½	70	91	83	...	...	...	...	...	...
......	12,000,000	2,502,306	.....	.....	Toronto Railway..........	55	39	65	35	63	62½	64	56¼	62	2,037
......	2,500 000	......	4	9.52	Tuckett Tobacco com	60¾	22	57½	41	...	...	...	...	...	...
2 000,000	......	......	7	8.53	Tuckett Tobacco pref......	91½	80	93	82	...	82	81¼	81¼	81¼	30
3,000,000	22,000,000	20,213,000	.....	.....	Twin City com............	58	36	49	31½	...	43	43	43	43	10
......	1,750 000	891 000	8	16.66	Wabassa Cotton..........	107	58	135	48	...	...	...	...	...	...
......	5,000,000	3,302,600	6	7.05	Wayagamack.............	90	46	150¼	71	88¼	...	90	85	88	360
......	2,449,588	1,371,557	8+15	6.66	West. Can. Flour.........	160	140	145	105	...	...	...	...	...	...
......	9,000,000	10,130,000	.....	.....	Winnipeg Rly	49	35	38	26	39	36	39	36	36	173
......	1,500,000	600,000	1¼+2	7.31	Windsor Hotel...........	80	60	100	70	...	...	...	...	...	...
......	1,718,600	410,000	8+5	8.00	Woods Mfg. com.........	115	96¼	110	98½	...	...	...	...	...	...
1,546 500	......	......	7	8.53	Woods Mfg. pref.........	90	83¼	[illegible]	78¼	...	...	...	...	...	...

BANKS

Capital	Reserve	Div.	Yield to Dec. 28	BANKS	Range 1919		Range 1920		Close Jan. 4		Week Ending Jan. 4			Sales
					High	Low	High	Low	Ask	Bid	High	Low	Close	
15,000,000	15,000,000	12+1	6.52	Commerce...............	215	195	199½	173¼	182	181	183½	179¾	181	297
6,000,000	7,000,000	12+¼	6.26	Dominion...............	219	199¾	206	190	192	190	191½	190	191½	19
4,000,000	4,200,000	12	7.05	Hamilton...............	209	181½	194	168	170	167	170	169	169⅛	47
4,000,000	4,000,000	10	6.53	Hochelaga..............	160	147	158½	151	...	...	153	153	153	3
7,000,000	7,500 000	12	6.50	Imperial...............	210	196	200	184	188	186	188	185½	185½	17
8,400,000	8,400,000	12	7.22	Merchants..............	202½	180	203	158	...	167	169⅞	166	169	188
4,000,000	5,000,000	12	6.70	Molsons................	200	179½	194	169	170	169	170	170	170	10
22,000,000	22,000,000	12+2	6.16	Montreal...............	225	207	220½	185	...	195	196	195	196	33
2,000,000	2,300,000	12	6.89	Nationale..............	160	160	174	162¾	...	...	...	...	...	...
9,700,000	18,000,000	16	6.40	Nova Scotia............	278	255	273	243	250	...	250	249	250	38
20,134,010	20,134,010	12+2	6.19	Royal..................	218½	205	233⅛	189½	194¾	193½	194⅛	193	194⅛	213
3,500,000	4,500,000	14	7.00	Standard...............	217	204¾	222	200	201	...	200	200	200	52
5,000,000	6,000,000	12	6.70	Toronto................	205	193	197	179	...	182	182	180	182	24
8,000,000	6,000,000	10+2	7.09	Union..................	171	157½	161	139	...	143¼	142½	142½	142½	6

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1919	Div. Rate 1920	Range for 1919		Latest Price		Last Sale	LOAN, TRUST AND INSURANCE	Div. 1919	Div. Rate 1920	Range for 1919		Latest Price		Last Sale
			High	Low	Ask	Bid					High	Low	Ask	Bid	
Canada Landed..........	9	10	149	138	135	...	131	Montreal Loan..........	10+1	12	155½	150	175	155	155
Canada Permanent.......	10	10	176	167	...	163	163	National Trust.........	10	10	205	200	202	...	198
Central Canada.........	10	10	150	150	...	76	...	Ontario Loan...........	9	10	160	155	...	160	155
Col. Investment pref....	6	6	81	97	...	78	76	Real Estate Loan........	7	7	100	98	...	...	92
Dominion Savings........	5	5	45	45	75	...	72								
Great West. Per.........	2½	5	...	...	...	...	89½	Toronto General Trusts...	10+1	10+1	220	207	...	179	132
Hamilton Provident......	9	9	146	146	...	140	140	Toronto Mortgage.......	8+1	9	135	131	...	130	196
Huron & Erie...........	6	6+4	218	111	...	112½	112½	Toronto Savings........	10+4	10	.....	...	...	...	185½
								Union Trust............	7	8	...	...	140	...	172
Landed Banking.........	8	8	142	140	...	137	141	Confederation Life......	20	20	...	...	...	...	...
London and Canadian....	9	9	127	118	115	112	115								

L. R. STEEL SERVICE CORPORATION LIMITED
OF CANADA
Investment Securities

Branch Offices:
MANITOBA: Winnipeg, Brandon; ONTARIO: Port Arthur, Sault Ste. Marie, Sudbury, Haileybury, Oshawa, Hamilton, Kitchener, London, Brantford, Chatham, Stratford, St. Catharines, Windsor, Peterboro, Ottawa; QUEBEC: Montreal, Quebec, Sherbrooke, Three Rivers; NOVA SCOTIA: Amherst, Halifax, Sydney, New Glasgow; NEW BRUNSWICK: St. John, Fredericton, Moncton; PRINCE EDWARD ISLAND: Charlottetown.

Executive Offices:
Lincoln Bldg., Buffalo, N.Y.

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The Monthly Cheque
That Never Fails

How the Money was Lost

"You see I had only a few thousand dollars left after the estate was settled—

and my brother borrowed some to help him along of course *that* went and then—

I simply *had* to help father with his business, he was so worried—

and I thought it best to invest something in real estate at once. Well, *that* failed—

and, really, if it were not for the monthly income cheque from the Canada Life I don't know how I should be getting along now."

It is all so simple and effective!

Just a few dollars set aside regularly, and the Canada Life will guarantee to your home a continuous monthly income.

What a relief to know that no matter what may happen, the monthly cheque that never fails, issued regularly by the Canada Life, will come to *your* home!

Your present Life Insurance will no doubt "clear the mortgage," pay off the obligations of your estate, and leave something for your family, but

Consider This:

In addition to a "lump sum" of money, you should provide a definite *income* that cannot fail.

A weekly or monthly income is the natural thing for most people.

A woman can keep a family together on even a small income, provided it is *regular*.

Financial problems should not be thrust upon a woman who is not used to business deals.

The hands of unscrupulous men are always outstretched for money held by the unwary.

The Monthly Income Plan

You will be surprised to learn what a reasonable proposition can be made to you; how only a few dollars saved and set aside from your regular earnings can be multiplied into a substantial income for your Beneficiary.

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FILL UP — CUT OFF — MAIL TODAY
Canada Life Assurance Company,
Name
Address
Born
Beneficiary
Born

No. 9 of a Series

The House Jack Pine Built

By

T. K. D.

Who is Jack Pine? What is Jack Pine? Where is Jack Pine?

From the investor's standpoint; from the pulp and paper producers' standpoint and from the national standpoint, Jack Pine is quite a big fellow in his own particular way.

For generations of tree life, jack pine has been a sort of poor relation. It has been the reckling of the timber breed. But henceforth it will be quite an important member of the forestry family. Heretofore, jack pine has had a very indifferent place in the assets of the producing companies; it has had no place at all in the active operations. It has been used for the extraction of certain chemical properties, for railway ties, and for kraft wrapping paper—not a big market as timber markets go. And there are scores of millions of cords of jack pine. The woods are full of them, so to speak.

Jack Pine, alias Banksian, alias Cypress, in the past has been a stubborn and reluctant servant of the pulp and paper mill; so much so that the expert woodsmen and mill operators deliberately ignored it as a means towards the end of pulp and paper making. Operators occasionally, inadvertently or with aforethought, put jack pine into the stewing pot with the more respectable spruce and balsam, and always there was trouble—mostly pitch trouble. Jack pine, being a self-confessed culprit, was relegated again and again to the tall timbers.

Jack pine, it will be observed, has had a very bad name, and as a consequence was not invited to the daily dance of the wood-chips, or the jamboree in the mill digesters.

Now we find that Jack pine is not at all the sort of chap we thought he was. He has been exclusive, that is all. He can go into the digester, unaccompanied, and come forth a one-hundred-per cent. specimen of sulphite pulp, equal to the best composition requisite for the making of good and sturdy newsprint.

And this is the point: Most of the companies in which investors are interested have supplies of jack pine to the extent of 15 to 35 per cent. of their standing timber areas. Most of these companies, in appraising the value of their physical assets, write the jack pine timber at, perhaps, less than one-half the value placed upon the timbers ordinarily used for the manufacture of pulp and paper.

My information is to the effect that in the Abitibi and the Mattagami companies' areas, for instance, jack pine represents over 15 per cent. of the standing timber. Riordon, Price Bros., and North American Pulp run from 10 to 15 per cent. Brompton appears to have none. The St. Maurice River territory has 20 to 25 per cent. of jack pine, while this timber on the Spanish River properties predominates all other classes of standing pulpwood. In the Upper Ottawa district, there are some 20 million cords of pulpwood, with jack pine giving an additional 3 to 4 million cords.

Thus, the available supplies of timber for newsprint production is some 15 to 25 per cent. greater than has been estimated by the companies operating the areas. To put it another way, it has been estimated that the Province of Quebec has 155 million cords of paper-making timber. With the addition of jack pine the available resources will be increased to 185 million cords.

From experiments recently made, and successfully concluded, by commercial as well as laboratory practice, the fibre from jack pine was found to be about 25 mm. longer than that of spruce fibre, which makes it particularly suitable for newsprint. The pulp made from jack pine, when treated alone, proved to be as good as, if not better than, anything that can be purchased on the market.

WILL CHEAPEN OPERATIONS

Therefore, it is possible for those companies which in the past have been compelled to leave large areas of standing jack pine and cut further and further afield from their mills, to begin afresh near the source of manufacture, with several seasons' run of the near-by product, and thus reduce the average of the cost ratio by a very substantial and profitable margin. The clearing of those areas will also make available the shut-in balsam and spruce not economically workable in the past.

The additional advantage in respect to jack pine as a newsprint producer, is in the fact that the tree grows more rapidly than any other conifer. As a rule it is peculiar to dry and sandy soil. Its powers of natural reforestation, after fire, are greater than any other conifer. On the average, jack pine attains twelve inches diameter whilst a spruce grows six inches in the same period of growth. There are more cords per acre, on a given area of jack pine, than there would be even in black spruce, which probably has the speed record to date.

Incidentally besides those companies already mentioned, Laurentide is high in jack pine holdings. The Provincial Mills and the Belge Canadian also have a high percentage of jack pine.

The causes which have kept this valuable timber from a practical consideration are: a remarkable degree of ignorance; much prejudice; a modicum of laziness, and no doubt the fact that only too often is Invention still-born when Necessity has no need to function.

Clearly, the scientific and chemical resource which has brought jack pine within the scope of the paper-maker, has given to Canada's forests a renewed lease of life; while to investors has accrued an unexpected increment in the shape of increased physical assets, where a decrease might reasonably be expected through seasonable depletion of the reserves of what to date have been considered the only timbers suitable for paper production.

Jack-Pine, no doubt, is quite warranted in assuming the hyphen therein placed, which nowadays joins achievement to greatness.

(I am indebted to an article which appeared in the technical Journals, from the pen of Frank I. Ritchie of the Wayagamack Pulp & Paper Company, which article prompted my investigation of the subject.—T. Kelly Dickinson.)

U. S. EXPECTS TO BE CANADA'S CHIEF SOURCE OF FUNDS

Observers There Think We Will Borrow Much Across Border

PROBLEMS OF TRADE

Exchange Still an Important Factor, Preventing Full Trade Intercourse Between Two Countries

By Resident Representative.

NEW YORK. — From the financial and commercial standpoint, the new year opens with fundamental problems which have been affecting the relations of Canada and the United States since the close of the war still unsolved. During 1920 Canadian-American trade has grown steadily. While both exports and imports have shown marked increases during the past twelve months, the increase has been most marked in the case of the exports. The adverse trade balance against Canada between November, 1919, and November, 1920, increased from over 312 million dollars to 382 million dollars. The closing days of 1920 saw the discount on the Canadian dollar in the United States at the highest level it has ever reached —over sixteen per cent. These increases in the size of Canada's adverse trade balance in the United States and in the discount on the Canadian dollar have occurred in spite of the fact that the year has seen an unprecedented growth in the volume of Canada's exports of pulp, paper and grain to this country.

Many Bonds Sold in U. S.

From the strictly financial point of view, the year 1920 was notable on account of the successful flotation of a number of Canadian issues in the United States. Canadian securities during the year sold better than they ever sold before. American investors readily subscribed to issues of gilt edged securities which could be bought, thanks to a discount on the Canadian dollar, at prices which made the yields almost unbelievably high. This same discount had not only the effect of inducing American investors to invest many millions in new Canadian issues, but with the progress of the year, increased materially the buying of tested Canadian securities, in both Toronto and Montreal, by Americans with surplus funds. Thus, while the depreciation in the value of the Canadian dollar in the United States cannot prove anything but galling to most Canadians, there is perhaps a measure of consolation in the fact that during the past twelve months American financiers and investors have shown themselves so ready to invest their surplus funds in Canada.

For this reason and for others to which we shall refer to later, as Canadians we perhaps are justified in regarding the future with optimism so far as our relations with the United States are concerned. To those who study closely the trend of events during the year just past there is evidence to support the view that while superficially the fundamental problems which are interfering with the free transaction of business between Canada and the United States, still remain, the present situation bears within itself the tendencies which will result eventually in the return to more normal conditons. The process may be slow, but it will be sure; it may not produce the results wished for within the coming year or within the coming two years, but of this we can be sure: that the year 1921 will see the beginning of the process of readjustment.

U. S. Exports Coming Down

While it is true that so far as trade statistics show, the exchange situation has not materially affected the flow of American made goods to Canada, during the coming year, both Canadian bankers in the United States and American exporters doing business in the Dominion believe that American exports to Canada will be curtailed by this factor. The discount on the Canadian dollar during the next six months will be high, they believe, unusually high. No relief can be expected in this direction until at least May or April, when it is hoped the movement of the Canadian grain crop will be resumed. The effect of this high exchange rate will be accentuated by the continuance of a price decline in Canada which has, so far, not progressed as far as it has in the United States. This price decline and the depression which it will produce temporarily in Canada will reduce Canada's purchases in the United States.

So far as imports from Canada are concerned, no marked decline is expected, unless, of course, Congress should manage to enact the Emergency Tariff Act. The United States needs Canadian pulp and paper, it needs Canadian wheat and flour, and it is obviously good business to buy in a market where the American dollar has such purchasing power.

Source of Our Capital

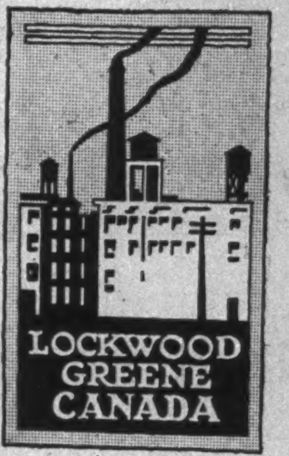
But to those who hope to see Canadian-American commercial relations return to something approximating pre-war conditions cause for a deal of optimism is seen in the way the American investment market has been reacting during the past year to flotations of Canadian securities. American investment bankers do not hesitate to say that in the future Canada must look to the United States for the capital needed to develop her resources, much as she looked to London in the past. They expect that within the next five years the Dominion of Canada will do a great deal of financing and re-financing in the United States. In support of this view, they point to the ready way in which American investors have taken up Canadian issues during the year just past. A very considerable amount of provincial and municipal securities, not to mention some $85,000,000 worth of railroad bonds, have been successfully floated here during the past few months. American investors, they point out, have always regarded Canadian securities in a somewhat different way from that in which they have viewed other foreign securities. Investment bankers believe that this friendly attitude of American investors toward Canadian securities will increase appreciably within the next year or so, not so much for sentimental reasons, as for reasons which would be approved of by the hardest-headed business man. It is expected here that a considerable part of the Canadian war debt will be financed at maturity in this market. The New York Times, regarded as a mouthpiece of influential financial opinion, recently predicted that in 1922 and 1923 the maturity of the Victory loans of 1917 and 1918 will force the Canadian government to enter the American market.

As these issues total $389,748,000, such a large volume of financing, if the Times is right, could not but affect materially the international financial situation during 1922 and 1923.

Thus the year 1921 may be faced by those who are interested in the improvement of the present conditions which are affecting Canadian-American relations with the feeling that no matter how dark the immediate prospect may be, the worst is past and distinct economic movements are in motion which will eventually make for marked improvement.

The interest due upon the bonds of the Gordon Ironside Packing Company on January 1 was expected to have been paid on that date by the company, but a hitch occurred which has been explained in a circular letter to the bondholders.

Valuations



A Lockwood, Greene valuation takes in more than the dollar-and-cent values of the actual material comprising your buildings, equipment and machinery.

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U.S. STEEL WORKERS ARE OFFERED STOCK

Subscription Price At $81 Is the Lowest Since 1914

NEW YORK.—United States Steel Corporation employees will be given opportunity to buy the common stock of the corporation, under the employees' stock subscription plan, at $81 a share.

The nominal amount of stock offered for subscription is 50,000 shares, but, as in the past, it is expected that all subscriptions will be honored.

Terms of the offering are the same as in previous years employees being allowed to pay for the stock in small monthly instalments.

Subscription price of $81 a share for employees is the lowest since 1914, when the offered price was $57 a share. No stock was offered in 1915, because of the general economic situation caused by the outbreak of the war in the previous summer. Subscription price in 1916 was $85; 1917, $107; 1918, $92; 1919, $92; 1920, $106.

In addition to the privilege of paying for the stock in small monthly instalments, subscribing employees who hold their certificates receive an annual bonus of $5 a share for five years.

AMERICAN RAILROADS

Average Decline Since 1914 of 18 Points on 20 Issues

As for railroad stocks, Brockmire's Analyst reports an average decline of nearly 18 points below the low of 1914 on twenty issues, and of some 12 points below even the lowest reached in the financial panic of 1907. A compilation of fifteen industrial stocks, representing varied activities, indicates that the average price is down over 55 points from the high of 1919, is nearly 13 points below 1917, and is some 6 points above the level existing just prior to the outbreak of war in 1914. Selling to establish losses and, contrarywise, the unwillingness of large bear traders to establish profits; selling to realize cash for taxes, to strengthen margins and to meet the demand of the banks to cut down loans, and the general trade unsettlement as well have all helped, particularly of recent months, to produce this great decline in market values.

AUSTRALIAN TRADE

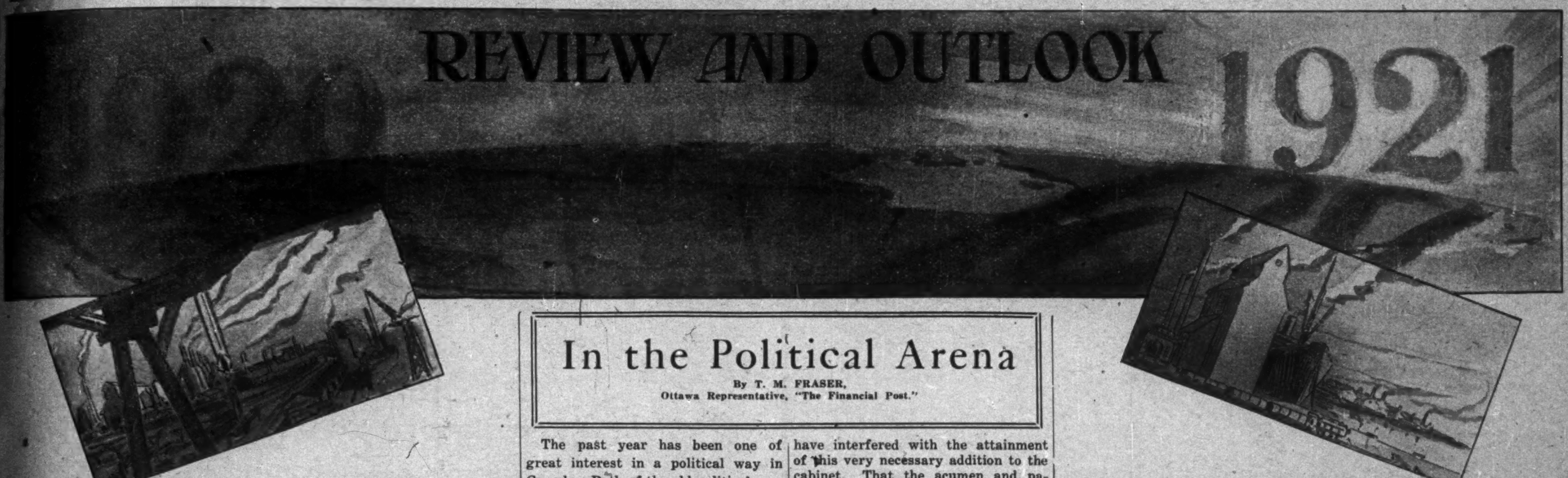
Details of the trade of Australia for the year ended 30th June last show that the total of imports and exports increased by £29,700,000 over the previous twelve months.

The imports disclose a decrease of £4,878,260, while the exports show the large expansion of £34,600,547 and it will be seen that the figures indicate a balance in favor of Australia of £51,107,624.

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section 17-40 PUBLICATION OFFICE: TORONTO, JANUARY 7, 1921 Special Section 17-40



CANADA'S BORROWINGS DURING 1920 WERE THE SMALLEST SINCE OUTBREAK OF WAR BROUGHT HEAVY EXPENDITURES

Increased Borrowing on Municipal Account, But Dominion Government Was Not in The Market During Year

ONTARIO LEADING PROVINCIAL BORROWER

Market Was "Spotty" During the Year and Influenced by Artificial Factors—Borrowings Totalled $327,290,000 in 1920 as Compared With $900,952,000 in 1919

By F. S. CHALMERS,
Associate Editor, "The Financial Post."

Canada's borrowings during the year 1919 were the smallest in six years. The war over, the necessity for constant financing and re-financing of governmental expenditures on account of national defence passed, and during 1919 there were no bond issues by the government of the Dominion of Canada. As a result the total bond sales by Canadian governments, municipalities and corporations during the year were only $327,290,000, as compared with $900,952,000 in 1919.

No War Loan in 1920

The chief reason for the decline was the absence of federal government borrowings, which amounted to $773,147, in 1919 and at least $200,000,000 in every other year since 1915.

Borrowings by municipalities increased, from $31,000,000 to $62,200,000, and were slightly more than in 1918 when they totalled $59,000,000. This total was attained despite the fact that Canadian municipalities continued the policy of retrenchment they instituted during the war, and despite the unreceptive attitude the market bore towards new municipal issues throughout a large part of the year.

The year was replete with periods of intense interest, for the factors governing the movements of the market have been unusual. It has required the closest analysis to determine at any particular period the exact status of the Canadian bond market. For a large part of the year, the uncertainty was added to by artificialities. The market control of Victory bonds which continued until the end of the year and the embargo on the importation of securities held abroad both tended to obscure the vision of the investment bankers in determining their position. Sudden and unexpected changes in Victory loan prices early in the year caused a good deal of unavoidable annoyance to borrowers and lenders alike. When the Victories were decontrolled the market stabilized itself somewhat. The embargo still remains, however, but it is expected it will be ended shortly.

Provinces Borrowed in U.S.A.

The provinces were heavy borrowers during the year, their requirements amounting to $121,790,000. A very large proportion of the provincial bond issues brought out were sold eventually in the United States market, although the deals were handled by Canadian investment houses. In many of these American sales, running for comparatively short terms there was obviously a very speculative element present, from the standpoint of the provinces. Figured in Canadian funds the prices received were much above the current levels in Canada, but as principal and interest were both payable in New York funds, it is evident that so long as the premium on New York funds remains much above normal the provinces are losing out in their interest payments and should the premium continue over a term of three or five years they will pay, in the ultimate analysis, a very stiff rate for their borrowings. The fact that investment funds during many periods of the year were exceptionally scarce in Canada undoubtedly induced many provincial treasurers who otherwise would not have taken the chance on exchange to sell their bonds in the market across the border.

CANADA'S BORROWINGS	
1914	$272,935,067
1915	341,892,871
1916	316,917,362
1917	757,808,966
1918	767,530,000
1919	900,952,000
1920	327,290,000

Ontario Chief Borrower

The Province of Ontario was again the chief borrower and during the year sold bonds totalling $45,500,000, of these a majority were sold in the United States. During June and July, however, the province sold $8,000,000 of ten-year 6 per cent bonds to the Dominion Securities Corporation, A. E. Ames and Company and Wood, Gundy and Company at 98.317, at which it paid 6.20 per cent for the funds. These bonds were sold in Canada.

The other important offering of Ontario bonds in the Canadian market was made in December and it proved the largest and in other ways, the most interesting provincial bond issue of the year. Eighteen Toronto investment houses partook of the offering. The original amount was $6,000,000 of 6 per cent. fifteen year bonds and when they were offered at 6.60 per cent. the total was oversubscribed inside of 48 hours. An additional $9,000,000 was offered and as quickly over-sold, and the province brought the total up to $16,000,000 by issuing $1,000,000 of $500 bonds to complete unfilled orders. Shortly after they were originally offered the bonds were being sold on a 6.50 and later on a 6.40 per cent. yield basis.

Prices Declined During Year

Manitoba and British Columbia were again heavy borrowers, but as will be seen from the accompanying

Continued on page 20.

In the Political Arena

By T. M. FRASER,
Ottawa Representative, "The Financial Post."

The past year has been one of great interest in a political way in Canada. Both of the old political parties have fought under new leaders, while the newer Farmers or Progressive party, as they have named themselves, have more or less formally ratified the leadership of Hon. T. A. Crerar. They have all formulated their platforms, and have toured the Dominion expounding them; indeed, never in the history of Canada has there been let loose such an abundance of political exegesis as during the past few months. In addition, there has been the investigation of the Tariff Commission, the sessions of which are also a good opportunity for the expression of opinion upon the great issue in Canadian politics. It certainly cannot be said that the public has been left uninformed on the political questions of the day.

In the matter of leadership, the most important change has been the retirement of Sir Robert Borden as premier, after a long and distinguished career as leader, first of the Conservative and later of the Unionist party, and the succession of Hon. Arthur Meighen as head of the government and of the newly formed National Liberal and Conservative party. With Hon. Mr. Meighen's accession to that high position, a reconstruction of the government was anticipated, and has to some extent been effected. The Maritime provinces have been given representation in the Cabinet, which they lacked for some time, in the persons of two young and active business men, Hon. F. B. McCurdy and Hon. R. W. Wigmore. But the main work of reconstruction, in which the great province of Quebec shall be adequately represented, has still to be effected. That Premier Meighen is willing and anxious to bring this about is unquestioned; and only the peculiar and unfortunate circumstances which have obtained there as a result of the war have interfered with the attainment of this very necessary addition to the cabinet. That the acumen and patience of the premier will find a solution of the difficulty is highly probable.

Quebec and the Cabinet

In this connection one of the most interesting minor incidents of the year, and one which has created much speculation, has been the rapprochement which has been carried on, and at the time of writing seems to be still in progress, between members of the government and L. J. Gauthier, Liberal member for St. Hyacinthe. It is perhaps worthy of more than passing attention, as being the only visible evidence of the efforts being made by the government to secure proper French-Canadian representation in the cabinet; but the puzzling feature is that Mr. Gauthier should be the intermediary, in view of a speech which he made in the House last session, in which he referred to "Quebec's hour" in much the same manner as Germans once used to speak of "the day." Whether it may be brought about by the member for St. Hyacinthe or some other diplomat, it is certainly highly desirable that a province with such extensive and varied business interests as are those of Quebec should be playing a proper part in the government of the country. Complete reconstruction of the cabinet, in which some of the elder statesmen now included should retire and give place to younger men of wider vision, is very desirable, and is something which the Prime Minister is undoubtedly anxious to effect; but this involves by-elections, and the by-elections held held during the past year have not been entirely reassuring to the government; nor, for the matter of that, to the opposition either.

By-Election Results

During the year by-elections were held in the following constituencies:

Continued on page 29.

Securities Outlook For 1921

A great problem naturally before the investor is as to whether this company will be able to increase its earnings over a period of years so as to cover the increase in the common shares from 50,000 to 250,000. This is one of the largest contracts any industrial company has set before itself during the year just closed. Up to the present time, however, the earnings of the company have increased so considerably that there will prove to be a very large margin earned for 1920 over the $6 on each share, or the 30 per cent. on the old capitalization of the company. Abitibi is enjoying for the first quarter of the New Year an increase of $30 per ton in newsprint paper over what it was obtaining for a large portion of the year 1920; it is in good position insofar as water is concerned and has excellent timber limits and power facilities and in increasing its output for the year 1921 from about 235 tons a day to about 500 as well as installing a wrapping paper machine which will reduce the cost of this article for its own use. The mills themselves are recognized as being the most up-to-date in Canada.

Ames, Holden McCready

This company begins the New Year with the plants closed down for the past six months. During this time the stocks on hand have been liquidated to a great extent but at a considerable loss to the company.

As soon as business becomes more active again the company can look for orders of fair quantity in leather footwear and also in rubber footwear, felt and rubber tires. Those in close touch with the company believe that the subsidiaries that were organized during the year 1920 will prove a very valuable asset to the company. The preferred dividend was passed in December and it may be six months or nine months before any thought of paying it again can be considered. Recovery will be slow after the severe shock to the company owing to the slump in prices of raw materials and manufactured goods, but those in charge are confident that this recovery will be made substantially during the year 1921.

Just before the year closed it was announced that the company had decided to reduce all goods in stock on Jan. 4 to a "replacement" basis, and it is expected that a partial resumption of work in the various plants will take place on Jan. 10.

Atlantic Sugar Refiineries

This company was forced to pass its dividend on the preferred stock in December and also on the comomn stock, the latter of which had been increased to 10 per cent. during the year 1920. Heavy losses occurred to this company through the decline in

Continued on page 25.

CANADIAN STOCKS SUFFER LOSSES AGGREGATING $130,000,000 IN MOST DRASTIC SLUMP IN MARKET HISTORY

This Figure Represents Depreciation From Opening Quotation of the Year—Decline From Peak Prices Totals Infinitely Larger Amount

A SERIES OF DISTURBING FACTORS

Early Bull Movement Followed by Prolonged Depression—Practically Every Group Affected in Final Crash—Sustain Sheer Drop of $200,000,000 From Highest Points of Year

By H. H. BLACK,
Montreal Editor, "The Financial Post."

MONTREAL.—One year ago a list of securities, common and preferred, showed a gain to the holders during the year 1919 of $100,000,000. A similar list for the year 1920 shows a loss, comparing the Jan. 1, 1920, with Dec. 31, 1920, that exceeds $130,000,000.

Nor does the latter figure represent at all adequately the huge losses that resulted from the "readjustment" smashing of the stock market hip and thigh: prices soared for six or seven months from the initial quotation; the crash of values from peak to the dismal depths that were reached up to December represented a sheer drop of over $200,000,000 in the market values of the securities! In this drop a single item—the greatest of all, that of Brazilian, amounted to over $24,000,000, as it is the most highly capitalized with the exception of C. P.R. which, as pertaining in its activity, belongs chiefly to the New York market, is not considered in this review.

In spite of some very heavy advances the later slump wiped out nearly all, so that out of a total of 78 given in detail below only 11 or less than 14 per cent. edged out the year without a loss. These were:—Abitibi common, split five to one; Asbestos common, almost even; Brompton, split two to one; Laurentide, split three to one; National Breweries, split into $25 shares; Provincial Paper common split 3 to 2; Spanish River, common, exactly even, and the preferred slightly ahead; Toronto Railway, due to the selling of its subsidiary concerns; Winnipeg Electric, due to increased rates; and Wayagamack, anticipating a split of two to one. Of these eleven paper stocks represent six and two are electric lines. The great slump was decidedly no respecter of classes.

The weakest points in the whole market were Atlantic Sugar common and preferred and Forgings, representing declines of 148, 159 1-2 and 156 points respectively. Ames, common and preferred, were contributory causes as well, to the general decline for special reasons connected with a local failure, going down in one case from 137 to 9 and 114 3-4 to 27.

The flour stocks were hit hard also: Ogilvie from high to low showing a loss of 102 points; Lake of the Woods 65; Maple Leaf 47 1-4 and St. Lawrence 75. The special cause for this was the decline in earnings owing to a serious drop in export demand.

The paper stocks, too, fell with the rest, partly in sympathy for their earnings have been increasing instead of decreasing, partly, and mainly, because of the huge advances most had recorded, and the relatively weaker position several were in through inflation of the share capital. In other words the Street, in the main, believed these companies had more than discounted their extraordinary prosperity.

The textile mills had heavy declines also: in this case due to a very real cause, for it was realized that their war-time earnings would be seriously reduced, and they would lose through a depreciation of their inventories.

Probably, take it all in all, the slump of 1920 was the most disastrous in wiping out thousands of accounts for scores of millions of dollars loss of any that ever occurred in the Canadian markets in the memory of the oldest members.

Below are given the gains or losses in points of the various securities during 1919 and 1920, with the value of the securities in losses or gains. Allowance is made in the case of the paper stocks whose shares were split:

	From	To	Loss in value
Abitibi, com.	87 435	49½ 247	$9,400,000
Ames-Holden, cm.	137	9	4,480,000
Do., pref.	114¾	27	2,193,750
Atlantic, com.	164	16	8,140,000
Do., pref.	184	24½	800,000
Brazilian	51	28	24,482,840
Brompton	170	84½	5,985,000
Can. Car, com.	74	29	2,238,750
Can. Converters	80	51	502,715
Can. Cottons, com.	100	73	733,185
Can. Forgings	256	100	1,497,600
Can. Steam., com.	80	34	2,633,730
Do., pref.	85	60½	1,362,788
Carr. Fact., com.	49½	7½	504,000
Smelters	32½	15⅛	1,843,781
Crown Reserve	44	13	620,000
Detroit United	113½	79¾	4,980,000
Dom. Canners	66¼	26	1,124,580
Dom. Bridge	115	69¼	3,074,000
Dom. Glass, pref.	91	64½	689,000
Dom. I. & S., pref.	92	69	1,150,000
Dom. Steel Corp.	79	39	17,200,000
Dom. Textile, com.	146½	96⅛	2,500,000
H. Smith, com.	167	99	1,740,000
Lk. of Woods, cm.	220	125	3,325,000
Laurentide	125 375	81 243	12,672,000
Lyalls	99	35	1,120,000
Macdonald Co.	44¼	20	727,500
Maple Leaf	184¾	137½	1,181,250
Montreal Power	90	76	8,977,654
Nat. Breweries	*280	177	2,321,929
N. S. Steel	67¾	42	3,862,500
Ogilvie, com.	277	175	2,550,000
Ont. Steel Prod.	89	50	367,500
Penmans, com.	148½	93	1,193,583
Price Bros.	385	250	9,450,000
Prov. Paper	132	82	1,750,000
Quebec Railway	36¾	18⅝	1,812,500
Riordon P. & P.	226	128	5,880,000
St. Law. Flour	139⅛	59	966,000
Sherwin-Williams	119	75½	1,780,000
Spanish R., com.	125¼	75	4,899,375
Do., pref.	†138 196	82 116	4,951,576
Steel of Canada	88⅛	54¾	4,988,000
Wabasso Cotton	‡135	96	682,500
Total of losses			$175,344,586

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*On old basis before change to $25 par value was put into effect.

†Allowing for 42% payment of arrears on preferred stock in figures 196 and 116.

‡On basis before split of two for one.

CANADIAN BANKS EXTENDED THEIR ACTIVITY IN 1920

Some 400 New Branches Were Opened for Business

IN FOREIGN FIELDS

Expansion of Export Business Necessitates Extensions to Supply Required Financial Facilities

By J. H. HODGINS,
Union Bank of Canada.

Canadian bankers made impressive additions to the Dominion's banking structure in the year just closed. Probably foreign extensions were not on as aggressive a scale in 1920 as in the three preceding years, but there were notable departures when the flag of Canadian banking was carried into previously unexploited fields.

While our bankers engaged their attentions with international banking, they continued to give the domestic situation careful attention; just how attentive they have been to the needs of growing communities through the Dominion may best be gauged by the fact that some 400 new branches of Canadian banks were opened for business, in an effort completely to serve the country. These 400 new branch banks have, in the main, not been opened thoughtlessly. With customary foresightedness Canadian bank executives, holding the financial pulse of the Dominion, looked ahead into this period of business uncertainty upon which we have entered and, forewarned by other similar years of lessening trade, extended the branch bank system only where it was patent that an urgent need existed. Had it not been for this cautious spirit among our bankers an infinitely greater number of branch offices might have been created, so keen has become the race for business in this country.

For the time being the policy of extension within Canada seems to have subsided, and there will probably be less tendency in 1921 toward the establishing of new branches. In military parlance our bankers may be said to welcome a season when it may be possible to "consolidate our gains."

Bankers have long been regarded as the forerunners of a country's commerce and it will generally be accepted that if Canada is to hold her position in world trade, the country's producers and exporters will require the fullest possible banking accommodations abroad. We have almost daily evidence of America's earnest endeavors to spread her banking connections to the furtherance of her international commerce, after the fashion of British bankers and British traders.

Speaking in this connection at the annual general meeting of the Canadian Manufacturers' Association in Vancouver last June, A. E. Bryan, Canadian Trade Commissioner to Japan, made a strong plea for the establishment of Canadian banks abroad. Mr. Bryan, as a Canadian vastly interested in the further extension of Canadian commerce abroad is a firm believer in foreign branches of our banking institutions. "The bank is a good advertisement of the country it represents," he says, adding: "It stands for something which cannot be advertised in any other way: the financial security of Canada."

Prior to the great war the majority of Canadian bankers felt that it was sufficient to have foreign correspondents rather than direct representatives at foreign points. But the notable international expansion of our banking system in the last few years is sufficient evidence that our leading bankers have swung away from their former theories, and have come to accept the idea that direct representation is advisable. There is, however, the notable exception of the Bank of Montreal which, according to Sir Vincent Meredith, Bart., continues to favor the policy of foreign correspondents rather than foreign branches. Mr. Bryan, after his Japanese experiences, believes that a "visible Canadian institution," like the Park-Union Foreign Banking Corporation, is to be preferred. "Canada is never heard of in these Japanese bank agencies—what interest do they take in us?" is his way of expressing it, and he adds emphatically, "Yes, the bank is the greatest foreign trade propagating influence there is today."

Cuban Development

We may briefly review 1920 developments. Not the least interesting was the Cuban situation. Cuba as far as Canadian institutions are concerned, has rather been regarded as the "preserve" of the Royal Bank of Canada and of the Bank of Nova Scotia, both of which have carried forward a broad policy of extension until they now have more than forty branches; in addition these two banks are represented at some fifty points in the British West Indies, etc., while the Royal now has some fourteen offices throughout South America. Early in 1920 the Canadian Bank of Commerce entered the Cuban banking field, opening a branch for the first time in the city of Havana. At that time it was foreshadowed that there would be further extensions, so that it was not altogether surprising when the announcement was made during November that the Commerce had established in Jamaica and in December at Barbadoes.

While the Bank of Montreal has no direct connections in Cuba or the West Indies, an affiliation with the Colonial Bank, announced early in the year, is understood to give the Bank of Montreal virtually the facilities of its own branches.

It is interesting to find that in these extensions the experience of our bankers has been that the branches have very soon become self-supporting, by reason of the growth of local deposit accounts. There have been critics who have hurled suspicions upon this theory in spite of the statements of such men as E. L. Pease, managing director of the Royal Bank of Canada, who it may be recalled, at the bank's last annual meeting told the shareholders that the deposits secured throughout the West Indies, and Central and South America, largely exceeded commercial loans at these points. Supporting evidence of Mr. Pease's statement was found during the year when during a discussion in the Chamber of Deputies of Argentine the chief complaint voiced against the operations of foreign banks in Argentine was that they brought no capital to the country, but rather depended upon local deposits.

The Cuban sugar crisis during the latter half of the year, brought its measure of anxiety of course to the Canadian bankers with branches on the island. At first when the moratorium was declared, it was said that the Canadian and American bankers would not take advantage of the government's decree, but, after a few days, it was announced that all the bankers on the island had decided to accept the government's measure of relief for tiding over the emergency.

Outlook in Mexico

A happier outlook presents itself in long troubled Mexico, in which country the Bank of Montreal and the Canadian Bank of Commerce have been represented for many years, having been attracted there originally as accommodating bankers when Canadian funds were going into the republic for investment enterprises. The new governing forces of the country, during the year, gave promise of the complete restoration of Mexico's banking system, a reform that will no doubt be welcomed by international bankers, who have had a particularly trying time there for several years now.

Notable among the year's banking developments was the decision of the well-known French-Canadian banking institution, La Banque Nationale, to establish in the historic capital, Brussels. The Nationale thus won the distinction of being the first Canadian bank to set up direct banking relations with Belgium, a distinction also of the Guaranty Trust Company of New York among American banks. It will be recalled that the Nationale was the first Canadian bank to open an office in Paris, and remained the only Canadian bank in Paris—with the exception of the ill-fated Internationale—until after the signing of the armistice, when the Bank of Montreal, the Royal Bank of Canada, and the Park-Union Foreign Banking Corporation were quick to establish direct banking relations with France. During 1920 the Nationale also opened a branch at Marseilles, France.

Standard and Commerce

Another significant development, tending further to show the influence of Canadian banking and finance in the United States, was the announcement during July that the Canadian Bank of Commerce was one of the banking group associated in the new First Federal Foreign Banking Association. This is the pioneer bank to be formed under the Edge Law of the United States. Under the "Edge Law," the institution is authorized to extend credit facilities for export and import trade. The new association may be likened—in so far as it is patent on the surface—to the organization with which the Union Bank of Canada identified itself when in co-operation with the National Park Bank of New York, the Park-Union Foreign Banking Corporation was formed. Similarly, too, may the American Foreign Banking Corporation be considered; in this enterprise the Standard Bank of Canada is understood to have been an original stockholder. These three ventures have much in common; their policy is essentially international.

During August the Park-Union Foreign Banking Corporation increased its capital stock from $2,000,000 to $4,000,000, fully paid, and increased its surplus from $250,000 to $500,000, making surplus and undivided profits $574,000. The Park-Union Foreign Banking Corporation's action is interesting as significant of the progress of an institution which is under the joint control of the National Park Bank of New York, and the Union Bank of Canada—representing the first working alliance ever consummated between a Canadian and an American bank and backed by the prestige and financial power of both institutions. This was the first outward evidence of the expansion since incorporation in the latter part of 1918.

To provide banking and financial facilities for the ever-growing commerce between this continent and the countries of the Orient was the inspiring purpose back of the organization of the Park-Union Foreign Banking Corporation, whose activities, however, it is now apparent, are by no means confined to the Oriental countries, inasmuch as in November, 1919, a new branch was opened in Paris. The head office of the Park-Union is in New York; branches have been opened in the United States at Seattle, Wash., and at San Francisco, Cal.; in France, at Paris; in China, at Shanghai, and in Japan, at Yokohama and Tokyo.

Not the least interesting Canadian bank development of the year was the decision of the Bank of Nova Scotia to open its own London, Eng., office, on August 1, last. It will be recalled that the Nova Scotia had its London arrangements all made in 1914 when the war broke out and upset these well-laid plans. Prior to the Nova Scotia's entry Six Canadian banks had established in London, as follows: The Bank of Montreal, the Canadian Bank of Commerce, the Royal Bank of Canada, the Union Bank of Canada (now with two offices), the Dominion Bank and late in 1919 the Merchants Bank of Canada.

For the coming year it is safe to foreshadow continued branch openings throughout Canada, though the tendency undoubtedly will be toward more cautious, less aggressive decisions, for the reason that Canada, now possessing more than 4,800 branch banks, or one bank for every 1,800 persons, has banking accommodations probably unequalled by any nation. Internationally, Canadian banks are located at strategic points in the United States, in England, France, Spain, Newfoundland, Cuba, the British West Indies, etc., Mexico, South America and the Orient. Excepting some Canadian banker conceive a British Empire chain of branches for the current of Canada's inter-empire commerce, the country's needs in world banking would seem to be well served for the immediate future.

WOOLWORTH'S YEAR

Biggest Business in History During the Year 1920

NEW YORK.—F. W. Woolworth Co. will close its fiscal year with sales of approximately $141,250,000, the biggest year's business in its history. This is a gain of $21,753,893, or 18.2 per cent., over 1919 sales and the largest increase in turnover in any year.

The company will close its year without a dollar of obligations. All bills payable have been cleaned up as well as bank loans of less than $2,000,000, occasioned by the purchase of a large block of preferred stock for sinking fund. In addition the company has a substantial cash balance.

Inventory account on December 31 will be about $20,000,000. This is an increase of but 10 per cent. over merchandise stocks at the end of 1919, the gain being for the account of new stores. Inventories of old stores, therefore, remain unchanged from a year ago.

Holiday trade was the largest on record. Sales on December 24 totalled $1,900,521, the largest single day's business, representing a gain of $255,500, or 15.53 per cent., over December 24, 1919.

In the seven business days preceding Christmas sales amounted to $10,032,273, an average of about $1,450,000 daily. The week's business showed an increase of $1,137,272 over the same week of 1919, or 12.79 per cent.

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Capital Paid-up $8,400,000
Reserve and Undivided Profits $8,660,774
Total Deposits (Oct. 1920) over $170,000,000
Total Assets (Oct. 1920) over $209,000,000

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W. A. MELDRUM, General Supervisor

The Outlook

calls for healthy optimism as well as earnest endeavor; for Canada's financial and commercial position is basically sound.

Her field crops alone for 1920 are valued at more than one and a half *billion* dollars.

There must be readjustment, of course—and many factors must be considered in every line of business—but if we all think success and talk success and work honestly for success, there can be no doubt as to the outcome.

NEW BUSINESS IN INSURANCE FIELD WRITTEN IN 1920 FAR SURPASSES ALL FORMER RECORDS

It Is Probable, However, That the Increase Over 1919 Occurred for Most Part in Earlier Months of the Year

FIRE PREMIUM INCOME GROWS

Due to Better Appreciation of Necessity of More Adequate Protection—Almost an Entire Absence of Litigation in Connection With Fire Insurance Policies—Several New Classes of Casualty Insurance

By G. D. FINLAYSON,
Superintendent of Insurance, Ottawa.

During the year 1919 life insurance companies in Canada issued a gross amount of $572,906,085 of life insurance, or an amount exceeding the new business of 1918 by about 66 per cent. The figures for the year just closed will probably show an increase of at least 20 per cent. over last year's total, so that the new business of the year should approximate $700,000,000.

While predictions of reduced production in 1920 made a year ago have not been fulfilled, it will probably be found that the increase in 1920 over 1919 occurred for the most part in the early months of the year and that the amount of insurance now being written exceeds but little, if at all, the writing of a year ago. The tide of new business was then rushing strongly to its flood; to-day it appears as if the ebb had commenced.

A reduction in the volume of new business for 1921 would not be an unmixed evil. It would give the companies a breathing spell in which to accumulate surplus to restore the wastage caused by the war. What is more to be feared is a large rate of lapse in the business now in force, and the failure of a large part of the recently acquired business to repay its borrowings from the older business and in turn take its place as a surplus-earner for the company. Lapse ratios have in recent years shown a gratifying decrease although it must be recognized that the usual ratio, current year's lapse to current year's new business, has ceased to be of much value as an indication of the persistence of business, owing to the rapid annual increase in new business written.

A comparison of the policy loans made and repaid for the first six months of 1920, with the corresponding figures for the first half of 1919, goes to indicate a greater demand for loans on the part of the insured. The figures are as follows, those for 1918 being also included:

CANADIAN COMPANIES

Period	Pol. loans made	Pol. loans repaid
Jan.-June, 1918	$5,357,083	$5,177,832
Jan.-June, 1919	5,461,529	5,714,417
Jan.-June, 1920	6,915,291	5,541,671

The figures for the entire year are not available but the tendency shown above will probably be found to be still more marked in the latter part of the year.

While on the subject of policy loans it is interesting to note that the figures showing the mode of repayment of loans serves to disprove a somewhat common belief that loans are rarely paid before the maturity of the policies. The collective experience of the Canadian companies is now available for a period of two and a half years from Jan. 1, 1918 to June 30, 1920, and may be analyzed as follows:—

Total policy loans made		$30,689,599
Policy loans repaid—		
On sur. of the policy (25%)	$ 6,879,348	
On maturity by death (7%)	1,847,868	
On maturity otherwise (13%)	3,561,788	
Prior to maturity of policy (55%)	14,973,455	
Total repaid (100%)		$27,262,459

If it is true that a loan avoids, or at least postpones, a lapse, the foregoing figures would appear to show that the loan privilege is exercised to the great advantage of the company and without detriment, in the great majority of cases, to the beneficiaries under the policy.

Fire Insurance

The outstanding feature of the year in the field of fire insurance will probably be found to be an unprecedented increase in premium income, due largely to a better appreciation on the part of the public of the necessity for more adequate protection of their property. No official figures are yet available for the business of fire insurance as distinct from casualty insurance but for the two combined there would appear to be an increase of at least 25 per cent. The total fire and casualty premiums reported for taxation for the first nine months of the year, in 1919 amounted to approximately $42,000,000, while for the corresponding period of 1920 the total premiums are approximately $56,000,000. The same proportionate increase may not be experienced for the last three months of the year but the foregoing estimate for the year as a whole will probably be found to be conservative.

One other outstanding feature of the year's business is the almost entire absence of litigation in connection with fire insurance policies. Whether this indicates a better compliance with the provisions of the contract on the part of the assured, more satisfactory adjustments or a greater willingness on the part of the companies to settle policies without contestation, it would be difficult to say. It will be admitted, however, to be a most desirable condition from the standpoint both of the assured and of the companies.

The one legal decision of outstanding interest was that of the Judicial Committee of the Privy Council in the Curtis's and Harvey case, arising out of the explosion of that company's explosive works, in the Province of Quebec. This was an appeal from the decision of the Court of Queen's Bench for the Province of Quebec which relieved the companies concerned from liability in respect of the loss due to explosion as distinguished from the loss due to fire. The final decision affirms the decision appealed from so far as the liability of the companies is concerned, but differs from it in its view of the effect of a variation in the statutory conditions not made in the manner prescribed by the Act.

Casualty Insurance

In this rapidly expanding branch of insurance the outstanding feature will be found to be, as in fire insurance, the very large increase in the premium income. This is due, in part, to the increase in the varieties of casualty insurance which are constantly being devised and in part to the increase in the volume of premiums in branches such as automobile and burglary insurance.

Several new classes of insurance are being developed for the first time in Canada. Forgery insurance, which insures against the forgery and raising of cheques, promises to become an important branch of the business. Aviation insurance is being contemplated by a number of companies and the latest suggested addition to the list is the insurance of the promoters of out-door games and entertainments against loss of receipts from rain or other unfavorable climatic conditions.

Methods and Agency Organizations

A rapid expansion has been noted during the year in the organizations of agents representing insurance business of all classes. The life insurance agents have for some years had an active organization extending throughout the entire Dominion. Local associations of fire insurance agents have existed for some years but there has been, during the present year, a movement in the direction of larger associations covering an entire province. This movement will probably be further developed, until the fire insurance agents will be united in a Dominion-wide association.

That there is need for such organizations, for the improvement of field practices and the development of the professional spirit among their members, cannot be denied. During the year 1920 two charges of more than usual gravity were received by the department and in order that the cases might be fully investigated the department sought and obtained the co-operation of the Canadian Life Insurance Officers' Association and the Life Underwriters' Association of Canada. A board, consisting of George B. Woods, then president of The Life Officers' Association and president of the Continental Life Insurance Company, John B. Hall, a member of the Executive Committee of the Life Underwriters' Association of Canada and the Toronto Manager of the Dominion Life Assurance Company, and A. N. MacTavish, Actuarial Examiner of the Department of Insur-

Continued on page 22.

Canadian Bonds Maturing 1921 Total More Than During 1920

Two Dominion Government Issues Mature During the Coming Year—Total Reaches Over $65,000,000

Canadian bond maturities during the coming year will total almost twice as much as during the year 1920, but they will not reach the large totals of 1918 and 1919. During 1921, maturities of railroad, industrial, public utility, dominion and provincial bonds will total $66,751,067. A comparison of four years is as follows:

1918	$140,000,000
1919	150,000,000
1920	38,807,307
1921	66,751,067

The most important issue to be met is the Dominion of Canada's block of $25,000,000 of five year bonds, issued in 1916, which matures on April 1. Another Dominion government maturity will be the 1919 two year notes to the amount of $15,000,000, maturing on August 1.

Also maturing are a number of fairly important railroad issues.

The year is bare of important provincial maturities, only two small ones, $500,000 for Manitoba and $100,000 for Prince Edward Island, being noted.

There will be a few municipal issues of good size maturing during the year, but as municipal bonds differ widely as to form of maturity, they have not been included in the following list:

January, 1921.			
Jan. 1—Canadian Pacific Ry.	Equipt. Trust, Series T	4½%	$470,000
Jan. 1—Canada Interlake Line Ltd.	1st Mtge. Serial	6%	20,000
Jan. 1—Vancouver Lumber Co., Ltd.	1st Mtge.	6%	45,000
Jan. 1—Western Drydocks	1st Mtge. Serial	6%	60,000
Jan. 1—C.P.R.	Equip. Trust H.	5%	125,000
			$720,000
February, 1921.			
Feb. 1—C.N.R.	Imp. Roll. Stk. B 1	..	$188,000
Feb. 1—G.T.R.	Equip. D.	5%	125,000
Feb. 1—T., H. & B. Ry.	Equip. Notes A	4½%	75,000
Feb. 1—Abitibi P. & P.	1st Mtge.	6%	150,000
			$538,000
March, 1921.			
Mar. 1—C.N.R.	Imp. Roll. St., various	4½%	$439,500
April, 1921.			
Apr. 1—C.N.R.	Imp. Roll. St. Bds.	4½%	$275,000
Apr. 1—C.N.R.	Equip. Tr. K 1	5%	105,000
Apr. 1—Dom. Power & Trans.	1st Mtge.	5%	49,000
Apr. 1—Dom. of Canada	1916 loan	5%	25,000,000
			$25,429,000
May, 1921.			
May 1—G.T.R.	Equip. Trust, A. & B.	4½%	$477,000
May 1—Saskatchewan	Payable in N.Y. or Can.	5%	500,000
May 15—Algoma Central	Equip. Tr., E	4½%	7,000
May 15—Algoma Eastern	Sup. Rolling St.	6%	20,000
May 15—Manitoba	Payable in N.Y. or Can.	5%	500,000
			$1,504,000
June, 1921.			
June 1—C.N.R.	Equip. Trust, H 1	5%	$50,000
July, 1921.			
July 1—Price Bros.	Collateral Trust Notes	6%	$100,000
July 1—C.P.R.	Equip. Trust T	4½%	470,000
July 1—Ont. Power Co.	Debentures	6%	2,909,000
			$3,489,000
August, 1921.			
Aug. 1—Ames-Holden-McCready	2nd Mtge., 5 yr.	6%	$ 500,000
Aug. 1—Dominion of Canada	Two-year Notes	5½%	15,000,000
Aug. 1—G.T.R.	Equip. D	4½%	21,000
Aug. 1—T., H. & B.	Equip. Notes A	4½%	75,000
Aug. 2—C.N.R.	"A" and "B" secured notes, in sterling	5%	*13,460,000
Aug. 31—Tor. Ry. Co.	1st Mtge.	4½%	3,412,067
			$32,457,067
September, 1921.			
Sept. 1—C.N.R.	Imp. Rolling Stocks, B1, E1, F1, G1	4½%	$445,500
Sept. 1—Niagara, Welland & Lake Erie Ry.	1st Mtge.	5%	52,000
			$497,500
October, 1921.			
Oct. 1—Can. Puget Sound Lbr. Co.	1st and Refunding	6%	$200,000
Oct. 1—C.N.R.	Equip. Trust K1	5%	105,000
Oct. 1—C.N.R.	Imp. Roll. Stock, D1	4½%	165,000
Oct. 1—C.N.R.	Imp. Roll. Stock, C1	4½%	110,000
			$580,000
November, 1921.			
Nov. 1—G.T.R.	Equip. Trust, A. & B.	4½%	$477,000
December, 1921			
Dec. 1—Canadian Furnace Co.	1st Mtge.	6%	$360,000
Dec. 1—C.N.R.	Equip. Trust A1	5%	40,000
Dec. 1—G.T.R.	1st Real Est., Coll. Tr.	6%	30,000
Dec 1—Prince Edward Island		5%	100,000
			$530,000

*Payable in London, converted at $4.00 to £1.

TOOKE BROS.

This company has had to face uncertain conditions in the trade and on this account profits are likely to be less until matters brighten up again. On most of the stock that is on hand it seems certain the company will have to take a loss, as there have been very considerable reductions made in the last few months in shirts, collars, etc. In the first mentioned line the United States companies made very heavy reductions in prices and large quantities of goods have come over to Canada in competition with the various Canadian manufacturers. It would appear that the Canadian factories, like most of the American, did not value sufficiently the protest against high prices on the part of the trade but offered their lines for spring, 1921, at prices that were rejected in the majority of cases because so far from showing a discount they actually showed a very high advance over last spring. These prices have been revised more than once, as the whole tendency of the original offering at these high prices has been to deter the buying of the retail dealer. The company during the past year, however, apart from present conditions, had an excellent and increasing business and should be able to look forward to the future with confidence.

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THE TORONTO GENERAL TRUSTS CORPORATION.

LEGISLATION AND PRICE CHANGES IN DRUG TRADE

Year a Very Unsettled One But Outlook Clearing Up

CONDITIONS QUIETER

However, the Volume of Business of 1920 Was Much Greater Than Any Pre-War Records

By W. C. A. MOFFATT.
Druggists' Weekly.

What with the Opium and Narcotic Drugs Act, the Proprietary and Patent Medicine Bill, the Luxury Taxes and the chameleon-like aspect of the pharmaceutical market in general, the Canadian drug and chemical trades have come through one of the most parlous years in the history of the country. Fortunately, the clouds have rolled by and Canadian Pharmacy enters 1921 on an improved basis. The Opium and Narcotic Drugs Act and the Proprietary and Patent Medicines Bill, of course, continue to press to some extent by reason of the restrictions imposed but the regulations are not nearly as drastic, not nearly as prohibitive, as the druggists thought they would be and, consequently, the trade has a brighted outlook for 1921. The luxury taxes still hold good on a number of lines. Business in pharmaceuticals and allied lines, according to leaders in the trade, is undoubtedly quieter now than it has been. So pronounced have been the declines in the prices that the strictly ethical pharmacist has been following the policy of "making haste slowly."

A matter of much greater concern to the druggist than the readjustment process are the taxes and duties of various kinds with which he has to contend. Proprietary remedies, liquid and non-alcoholic, when imported from Britain paid a duty of 25 per cent. until recently. They are now taxed 60 per cent. If of an alcoholic nature there is an additional tax of 20 per cent. This means that on a $100 invoice there is a tax of $60. On this $160 then there is a twenty per cent. tax. This brings the original bill of $100 up to $192. Prices have advanced accordingly, thereby making the handling of such preparations by the Canadian druggist almost prohibitive.

"Bless the government!" ejaculated the head of a Toronto distributing house last week in notifying his customers of the higher prices.

Legislative Changes

Looking over the events of the past year, the amendments to the Opium and Narcotic Drugs Act and the Proprietary or Patent Medicines Act stand out prominently. These amendments resulted in some confusion and not a little worry in the minds of the trade—retailers, wholesalers and manufacturers—with reference to just how the two acts stand in important particulars. This confusion was to some extent intensified as a result of the concurrent jurisdiction by governmental authorities, having as an outcome an annoying absence of uniformity in the acts of the different provinces and the Dominion. The necessity of uniform legislation, as between the different provinces and the Federal Parliament, was emphasized in the passing of the amendments to these two important pieces of legislation.

The settlement during the past year of the control of opium was the result of a gradual development of a movement started at the time of the Opium riots in Vancouver, in 1908. The Opium and Narcotic Drugs Act of 1920 is patterned in great part after the Harrison Act of the United States. So drastic were the regulations of the Harrison Act that considerable traffic was driven across the border and carried on, not for the benefit of Canadians, but for the handling of these drugs for the consumers in the United States. It was evident to the authorities that similar action would have to be taken in the Dominion. And it was. It was provided that where a retail druggist buys narcotic drugs he should be able to show inspectors just where the supplies have gone. If he uses these drugs in the manufacture of house-sold remedies, even in the quantities permitted under the act, he must keep track and he must be licensed in order that the government may know where to go to inspect.

Province vs. Dominion

In the matter of the handling of narcotic drugs the Province of Ontario Pharmacy Act is in direct conflict with the law of the Dominion and yet it is as much a law as is the Dominion's Opium and Narcotic Drugs Act. The provincial legislation of Manitoba now complies with the Dominion law but there is a serious clashing as far as Quebec and Ontario and some of the other provinces are concerned and this fact has, as might be expected, thrown additional worries on the pharmacist. The Proprietary or Patent Medicines Act was also passed for the purpose of protecting the public against the use of dangerous drugs, with particular reference to preparations about the ingredients of which the public might be in ignorance. In connection with this legislation an advisory board was appointed which, from its very constitution, was bound to create confidence in the public mind. The medication of proprietary preparations was one of the matters upon which emphasis was placed by the Proprietary or Patent Medicines Act.

So complicated were some of the requirements of this act that considerable confusion prevailed. However, towards the end of September regulations were issued assuring the druggist that all preparations manufactured under the provisions of the law as it stood prior to the amendment of 1919 might be sold up to January 1, 1924. Prior to the issuing of this

Continued on page 21.

CANADA'S BORROWINGS DURING 1920 WERE THE SMALLEST SINCE OUTBREAK OF WAR BROUGHT HEAVY EXPENDITURES

Continued from page 17.

list of provincial bond issues during 1920 ever province except Prince Edward Island was in the market. The course of prices was downward throughout the entire year and while issues bought for the Canadian market were sold at about 5.90 to 6 per cent at the beginning of the year the provinces were paying 6.60 to 6.75 per cent. early in December. The trend of prices is not easy to sketch accurately as so many issues were sold in the New York market. In the United State prices of Canadian bonds strengthened during the year, and while they were at first being sold at 8 per cent., towards the end of the year 6¾ and 7 per cent. was considered a very generous yield.

The municipal market was very spotty during 1920. Municipalities who chose one of the several "psychological moments" to come into the market received very favorable prices while other municipalities of equally good standing, bringing out issues at momentarily unfavorable periods paid high rates for their funds. On the whole, however, the municipalities borrowed during the year at rates that must be considered low in comparison with money rates in general. The operations of the Victory loan market committee and the embargo kept bond prices from dropping as low as they might have gone and this undoubtedly helped borrowers at times. It was hard to convince municipal treasurers, though, that the bids they received for their bond issues were in accordance with economic conditions and dozens of tenders were turned down. In many cases where the issues were re-offered the subsequent bids were lower than the original offers.

Borrowings on account of railways, public service corporations and industries were important as the following list indicates:—

CANADIAN BOND ISSUES FROM 1914 TO 1920

	1914	1915	1916	1917	1918	1919	1920
Government	$ 85,415,330	$214,814,133	$208,621,933	$674,374,500	$696,000,000	$773,147,000	$121,790,000
Municipal	84,388,431	66,508,073	49,893,763	28,375,000	59,000,000	31,000,000	62,200,000
Railway	59,405,666	37,915,665	15,920,000	22,566,666	5,000,000	35,355,000	96,500,000
Public Service	25,131,725	14,605,000	22,950,000	15,425,000	2,375,000	20,950,000	11,500,000
Miscellaneous	18,598,915	8,050,000	19,531,666	17,067,800	5,155,000	40,500,000	35,300,000
	$272,935,067	$341,892,871	$316,917,362	$757,808,966	$767,530,000	$900,952,000	$327,290,000

Provincial Government Borrowings, 1920

Province	Sold to	Rate	Term	Amount	Price	Basis
British Columbia	A. E. Ames, Wood, Gundy Co., Dominion Securities	5%	5 yrs.	$2,450,000	97.84	....
Ontario	A. Jarvis & Co.	5½%	10 yrs.	3,500,000	94.41	....
Saskatchewan	A. Jarvis & Co., Housser Wood, Canada Bond, R. C. Matthews	6%	5 yrs.	3,500,000	102.03	....
Manitoba	J. P. Morgan & Co., New York	6%	10 yrs.	2,498,000	.....	....
New Brunswick	J. M. Robinson & Son, Eastern Securities Co.	5½%	25 yrs.	500,000	95.16	5.87
Ontario	A. Jarvis & Co.	5½%	5 yrs.	5,000,000	100.65	....
Quebec	Dominion Securities Corp. and Wood, Gundy & Co.	6%	5 yrs.	3,500,000	92.55	....
Quebec	Harris, Forbes and National City Co.	6%	5 yrs.	3,500,000	93.87	....
Ontario Housing	Dominion Government	5%	Demand	4,250,000	100	5.00
Ontario	Hanson Bros. and R. C. Matthews & Co.	6%	15 yrs.	2,000,000	100.73	5.90
Manitoba	A. E. Ames & Co.	5%	3 yrs.	500,000	99.314	....
Ontario	Wood, Gundy, Dom. Securities, A. E. Ames and American firms	5½%	5 yrs.	6,800,000	91.63	....
Saskatchewan	A. E. Ames, Dom. Securities and Halsey Stuart Co.	6%	4 yrs.	1,000,000	102.20	....
New Brunswick	Wood, Gundy Co., A. E. Ames, Eastern Securities and J. M. Robinson	6%	10 yrs.	2,800,000	96.1579	6.38
Alberta	A. E. Ames, Wood, Gundy, Dom. Securities and First National Co.	6%	3 yrs.	3,000,000	101.57	....
Nova Scotia	R. A. Daly & Co. and others	6%	5 yrs.	3,000,000	101.19	....
Manitoba	Wood, Gundy & Co. and others	6%	5 yrs.	1,000,000	87.66	....
Manitoba	Wood, Gundy & Co. and others	6%	5 yrs.	1,000,000	89.66	....
British Columbia	Halsey, Stuart & Co. and others	6%	5 yrs.	2,000,000	88.14	....
Ontario	A. E. Ames, Dom. Securities and Wood, Gundy & Co.	6%	10 yrs.	3,000,000	98.317	6.20
Ontario	A. Jarvis & Co.	6%	6 mos.	3,000,000	99.50	7.00
British Columbia	Royal Financial Corp., Brit. Amer. Bond and American firms	6%	5 yrs.	1,500,000	88	....
Quebec	Locally	6%	.....	2,000,000	100	6.00
Ontario	Wood, Gundy Co., Dom. Securities and A. E. Ames	6%	10 yrs.	5,000,000	98.317	6.23
British Columbia	Brit. Amer. Bond Corp., Royal Financial Corp., and Gillespie, Hart & Todd and American firms	6%	5 yrs.	3,000,000	98.91	....
Alberta	United Financial Corp.	6%	10 yrs.	2,000,000	96.58	....
Manitoba	First National Co. and others	6%	5 yrs.	1,250,000	.....	....
Manitoba	A. Jarvis & Co. and First National Co., Detroit	6%	5 yrs.	3,450,000	89.66	....
Quebec	Beausoliel Ltd.	6%	5 yrs.	1,000,000	.....	....
Manitoba	Can. & General Securities	6%	5 yrs.	1,000,000	89.66	....
Saskatchewan	Wood, Gundy & Co.	6%	20 yrs.	3,000,000	94.68	6.48
British Columbia	American firms	6%	5 yrs.	1,000,000	100.736	....
Ontario	A. Jarvis & Co.	6%	3 yrs.	3,000,000	103.567	....
Manitoba	Wood, Gundy & Co.	5%	3 yrs.	500,000	100	....
Manitoba	Minnesota Loan & Syndicate	6%	5 yrs.	750,000	93.758	....
Ontario	A. Jarvis & Co. and Home Bank	6%	6 mos.	5,000,000	99.50	7.00
British Columbia	British Columbia and Seattle firms	6%	3 yrs.	1,000,000	.....	....
Alberta	Harris, Forbes & Co. and National City Co.	6%	10 yrs.	1,000,000	100.523	....
Manitoba	New York Life	...	4 yrs.	300,000	.....	....
Nova Scotia	Dom. Securities Corp. and W. A. Read & Co.	6%	10 yrs.	2,000,000	102.02	....
Ontario	A. E. Ames, R. C. Matthews, Wood, Gundy, Illinois Trust	6%	7 yrs.	5,000,000	103.533	....
Manitoba	Minneapolis Syndicate	6%	10 yrs.	750,000	102.72	....
Ontario	Dominion Securities and others	6%	15 yrs.	6,000,000	94.34	6.60
Ontario	Local Syndicate	6%	15 yrs.	9,000,000	92.35	6.75
Quebec	Beausoliel Ltd.	6%	5 & 10 yrs.	4,000,000	99	6.20
Manitoba	Wood, Gundy & Co.	5%	3 yrs.	500,000	100	....
Ontario	Toronto Dealers	6%	15 yrs.	1,000,000	.....	....
	Total Provincial			$121,790,000		

Solid Foundations for Renewed Prosperity and Expansion

DURING the period of excessive war demand, when there were millions fewer producers, the necessities of life rose to record prices. These prices necessitated over double the banking accommodation to handle the same volume of commodities, creating an acute shortage of funds.

This, together with the fact that Canada in 1920 produced the greatest crop in her history, which likewise required financing, raised the rates for money to extraordinary levels. Under such pressure for funds large volumes of securities were sold, causing new low levels.

These unstable conditions are being gradually righted; prices are declining; funds are less strained; labor is more plentiful, and as a nation Canadians have cheerfully applied themselves to the task of reducing the war debt.

Solid foundations are thus being laid for renewed prosperity and expansion. With Canada's productive soil, her vast natural resources, her ever-expanding markets, her increasing population, we can look forward without misgiving.

There is now every indication that those who invest in the present period will, before any great lapse of time, regard their investments as singularly fortunate. We consider that the present period gives the investor what will probably be the greatest investment opportunities of a lifetime.

Start the New Year right. Invest funds available in January in Dominion, Provincial or Municipal Bonds.

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HARDWARE TRADE NOT AFFECTED TO SO GREAT EXTENT

Inflation Not so Great as in Less Staple Lines

PRICE UPS AND DOWNS

An Interesting Summary of Changes Which Have Taken Place During the Year

By H. L. SOUTHALL,
"Hardware and Metal."

Readjustment conditions prevailing during the past year have failed to bring about as acute a condition in the hardware trade as in some other lines of business, and from present indications it looks as though the hardware merchant will continue to be somewhat favored. It must be kept in mind that hardware is more of a necessity than a luxury and prices were not subject to artificial inflation to such an extent as some other lines. Therefore, while prices of some hardware goods are three times as high as before the war, the average advance is much less and the urgency of price reduction is not so apparent. Thus it is that with few exceptions hardware prices remained fairly firm during the price reduction campaign recently commenced and still in progress.

Conditions have been such that hardware merchants have not found it necessary to sell at prices below replacement costs. What reduction is taking place is influenced chiefly by lower replacement values and therefore the process of bringing about lower values in hardware promises to be gradual.

Reviewing the trend of events during the year, it will be recalled that early in 1920 there was a scarcity of many lines, particularly those made from iron and steel, such as nails, pipe, sheets and plates. This condition later affected stoves and wares, kitchen utensils, etc. The scarcity was attributed to shortage of raw materials and poor transportation. That condition is now changed and of 66 basic lines which, taking an index figure of 100 as representing the price in January, 1920, now are represented by an average value equivalent to 111. Present prices on iron and steel goods are higher in proportion but the declines recently on linseed oil, turpentine, cotton goods and ingot metals have tended to decrease the average advance.

Many manufacturers are catching up on production. Higher freight rates have assisted in the movement of materials and commodities.

Hardware stocks are, generally, smaller now than earlier in the year and owing to uncertainty a hand-to-mouth buying policy has been adopted in the trade.

New hardware goods introduced to the trade during the year have consisted chiefly of electrical appliances and auto accessories. These, along with toys, represent three departments which are fitting in more and more to the hardware trade. There has been much trade development along these lines in hardware stores, during the past year.

While a careful buying policy has been adopted of late, collections have in many instances not been given the same care with the result that some jobbers report an increasing number of merchants recently showing a tendency to neglect credit accounts. This matter has not assumed any serious proportions however, as indicated by the fact that there have been no failures among hardware merchants for some time and credit men report general conditions will continue favorable as long as due attention is paid to collections.

Building operations have still been held largely in abeyance this year and it is noteworthy that hardware trade has continued in such good volume without this usual source of much business in builders' hardware, tools, paints, etc. The expected resumption of building next spring should be an important factor in next year's business.

During the past year there has been much criticism of the Government's tax legislation as introduced in the 1920 budget. Hardware merchants were in the vanguard of those making energetic protest to the luxury taxes as a cause of too much trouble and a deterrent to business. Some forms of licenses and the application of the sales tax have also come in for much protest. No doubt the protests mentioned played a part in the repeal of the majority of the luxury taxes.

Importations of hardware this year have been nearly double those of 1919. The exchange rate has had little effect on imports from the United States. Imports of cutlery and sheets from the United Kingdom have this year been below those of the pre-war period but are gradually improving. Glass is coming forward in small quantities from Belgium. It is interesting to note that a company has been organized to manufacture glass in Canada next year and an output sufficient to supply one-half of Canada's requirements is expected.

Canada's exports of hardware and cutlery have likewise been larger in recent months of this year than in 1919. For the five-month period ending in August exports of these lines were approximately one million dollars higher than in the same period in 1919. Canadian hardware has been well received in foreign markets and the development of the Canadian Government Merchant Marine and other export facilities should encourage this branch of trade.

The price tendency has been upward in hardware lines during the greater part of 1920, and it is only in the last three or four months that there has been any recession. The recent declines have been in cotton goods, cordage, glass, linseed oil, naval stores, ingot metals and lead products, which generally are as low or lower than they were at the beginning of the year. Other lines such as leather belting, harness, rubber goods, bar iron and steel, sheets and plates, white lead, putty and paint have declined but are as high or higher than they were a year ago.

In metal products the declines have been in the raw or semi-finished material and it has not reached the manufactured article as yet. Declines have been most pronounced in non-ferrous metals. Iron and steel products have been and are still the slowest to show any change, the reason probably being the scarcity during the greater part of the year in plates, sheets and bars. Galvanized sheets have been particularly scarce and premiums above regular quotations were the rule up until recently. Wire products also were scarce; no prices are quoted even now on barbed wire. Pipe, too, has been hard to get and the smaller sizes of black and galvanized sheets are still rather scarce.

Coal oil and gasoline are 30 per cent. above last year's cost, and indications are for slight declines, it is thought. The majority of the lubricating oils have advanced from 50 to 100 per cent. and fuel oil has also doubled in price within the year.

It is a question how far Canadian markets will be affected by surplus stocks and lower priced goods from foreign markets, and to what extent lower exchange rates will assist importation. Reports indicate the American markets are feeling the effect of considerable quantities of German made aluminum ware, cutlery and hardware. German cutlery and skates, etc., are being displayed by Canadian stores at the present time.

Following is a table showing the price tendency during 1920 on sixty-six staple hardware lines. Taking 100 as the index figure representing the value on January 1, 1920, the value on December 31, 1920, on these lines was as follows:

Axes	114
Belting, Leather, standard	111
Sheet brass	86
Carriage bolts	110
Wash boards	126
Steel butts	100
Range boilers	125
Cement, Portland	109
Churns, hand	136
Canada plate	174
Chain, proof coil	113
Window glass	88
Sash cord, base	80
Crow bars	112
Files	111
Grindstones	143
Hammers, sledge	114
Hinges, strap	100
Bar iron, base	112
Sad irons	113
Lawn hose	120
Lanterns	120
Lantern globes	178
Ingot metal, copper	78
Do., Tin	67
Do., Lead	74
Do., Spelter	69
Do., Aluminum	109
Washing machines	131
Lawn mowers	138
Wire nails, base	111
Do., 1¼-inch	118
Horse shoe nails	106
Poultry netting	110
Coal oil	130
Gasoline	131
Oakum, plumbers	94
Tar paper, No. 1	128
Tarred felt	115
Coal tar, crude	132
Clay picks	110
Pipe, galvanized, 1-inch	111
Lead pipe	107
Ready roofing, 2-ply	109
Rope, pure Manila, base	95
Cotton rope, base	70
Wood screws	120
Shovels, 2nd grade	124
Sheets, galvanized	112
Solder, commercial	72
Fence staples, bright	119
Wares, enamelled, standard	119
Do., Pieced tin	117
Do., Galv., pails	114
Stove pipes	125
Sash weights	183
Steel wire, bright, base	107
Screen wire cloth	97
Clothes wringers	122
Cotton waste	121
White lead in oil	105
Linseed oil	44
Turpentine	60
Mixed paints, colors	100
Putty	118
Rosin	78

LEGISLATION AND PRICE CHANGES IN DRUG TRADE

Continued from page 20.

regulation it was feared that the druggist would be compelled to sacrifice a large sum through wastage of these preparations or through the substitution of labels to cover the antiquated ones borne by the preparations stipulated. As originally drawn, the regulation provided for the sale only up to September 1, 1920. Preparations which the advisory board might find to be insufficiently medicated were not included in this order.

External remedies were brought under the act, too, during the year but the druggists were assured that up to the fifth of November they would be privileged to apply to the Department of Health, and upon the filling out of a prepared form, would be supplied, free of charge, with stamps to affix to these external remedies which would be prohibited under the Proprietary or Patent Medicines Act.

With reference to other preparations the druggist was given to understand that no stamp would be necessary for the reason that every internal remedy coming under the provisions of the act has upon it a registration number which indicates the year in which it was made. This was considered just as good a guarantee as the stamp would be.

By the great majority of druggists it is felt that there seems to be no good reason why they should have to carry the tremendous inland or excise tax which during the past year was imposed upon alcohol entering into the manufacture of pharmaceutical preparations.

Situation as to Prices

In the past year the matter of legislation has been the most trying feature of the drug business. But the rapidity with which the prices of pharmaceuticals have fluctuated has had also a dazing effect. For the first six months there were comparatively few reductions noted but of late the downward tendency of quotations has been most noticeable. The aggregate reduction, it is estimated, has amounted to about 5¾ per cent. There have been, however, many violent changes up and down in many leading articles. On citric acid, tartaric acid, camphor, oil of anise, mercury, rhubarb, celery seed, etc., the aggregate reduction has amounted to about 73 per cent., but on such things as acetanilid, lycopodium, bromide of potash, santonin, buchu leaves and oxalic acid the aggregate advance might be placed at 65 per cent.

Taking everything into consideration, it might be taken as a fact that conditions existing in the world's markets during the past twelve months have had their influence on drugs and chemicals to perhaps as great an extent as on any other line of equal importance. The volume of business may be said to have kept up fairly well and while wholesale houses have not done the business during the past two months that they did in the same months of recent years still their increases over a normal year have been many times greater than they would ever have hoped for or expected prior to 1914.

THE BUSINESS CRISIS IN UNITED STATES

Better Conditions Looked for During the Spring or Summer

NEW YORK.—Few will regret the passing of 1920. It has been a year full of disappointments and difficulties. In many cases war prices have entirely disappeared; in others, actual deficits have been earned. Even where foresight correctly gauged the course of events, it has been hard to operate to advantage.

On the one hand, the banks have steadily called for a reduction in loans, on the other, the public has increased its disinclination to buy until it has assumed the form of an out-and-out strike. From full steam ahead we have passed to full steam astern. Naturally, our industrial machinery has been dislocated. And what has happened to us is happening in other countries. According to our recent advices, Argentina's wool clip has not yet been disposed of; the silk crisis in Japan continues unabated; Cuba's last year's sugar crop is not yet all sold. On the contrary, other countries report shortages. In widely separated parts as South Africa, India and the Fiji Islands native populations have risen because of high prices resulting from lack of goods needed in everyday life.

It is very evident that there has been a widespread, if not a complete breakdown in trade resulting from lack of demand, lack of credit, lack of co-ordination, and in large measure from lack of confidence.

From what point is the corrective coming? Who is going to release the brakes? In our judgment, there is no single panacea powerful enough or sufficiently all-embracing as to adjust all the problems of the times. Rather do we believe that the solution will lie in the use of various expedients and in the application of various remedies.

It is indeed difficult amidst the gloom which has fallen on the whole country to think of the sunlight beyond. We are very hopeful for all that, that by next spring, or if not then at least by next summer, we shall be well through our present period of gloom, for the various elements which go into shaping the situation as a whole are in our judgment assuming a form which we consider distinctly encouraging.

For one thing, wholesale prices of commodities have come down over 35 per cent. from the high of the year and in several cases are practically down to pre-war levels. The volume of goods on hand is not, as a whole, in any sense monumental and will, we believe, be readily moved once retail prices have reached a satisfactory level. For another, liquidation in stocks has been very thorough.

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Vice-President
R. S. Hudson
Joint General Managers,
R. S. Hudson John Massey
Assistant General Manager
George H. Smith

Paid-up Capital $6,000,000.00
Reserve Fund (earned) 5,750,000.00
(31st December, 1919)
Unappropriated Profits 150,493.28
Capital and Surplus..$11,900,493.28

Deposits Received

in sums of one dollar and upwards, and interest allowed compounded half-yearly.

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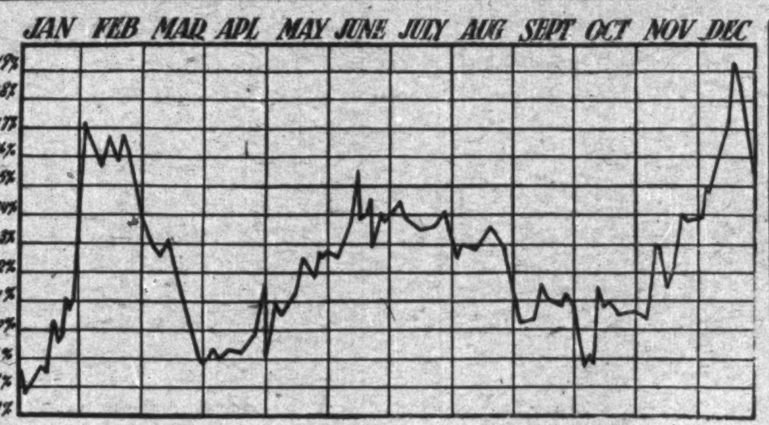
Continental Exchanges Suffer Acute Weakness During the Year

Canadian Funds, Too, at Heavy Discount in New York—Condition Due to Adverse Trade Balance—Exchange Discounts Take Place of Tariff Barrier



FLUCTUATIONS IN NEW YORK FUNDS DURING 1920

The post-war period finds the European participants in the great struggle faced universally with almost overwhelming debts. An acute financial stringency prevails throughout the continent, and industry which was disorganized and almost demoralized in a number of countries during the war, has been handicapped thereby in its re-establishment upon a pre-war basis. For this reason the European nations have been forced to look for a large part of their necessary commodities to those countries which were less affected by the war, and especially to America.

The effect of this situation upon the exchange markets has been very pronounced. Continental exchanges have suffered from acute weakness throughout the year. In terms of Canadian and American funds, the discount upon the funds of European countries has declined to hitherto unprecedented levels. Sterling, francs, marks, lires and other continental currencies have sold at a substantial discount in the Canadian and American markets, the discount rate undergoing fluctuations of a sensational character. Canadian funds too have sold at a heavy discount in New York, and the weakness was at no time more acute than during the latter weeks of the year.

Sterling opened the year with a quotation of about $3.77 in New York, or a discount of something like $1.11 from the par rate of exchange. During the opening month sterling weakened steadily and on February 4 sold at the lowest quotation of the year in New York, at $3.18. From that date on, however, a degree of strength was infused into the market on the shipment by British authorities of gold into the United States. Sterling exchange moved up steadily during the balance of February, March, and early in May reached the highest point of the year, when it sold above the $4.00 mark. For the next three months sterling sold at fair comparatively high levels, but toward the end of July the slump started again, and continued downward until November, when the decline was arrested at about around the $3.32 mark. Sterling closes the year around $3.50.

New York Funds Strong

New York funds also pursued a unique course, with the premium rate soaring at intervals to alarming altitudes. In the first week in January New York funds sold at the lowest quotation of the year at 7¾ per cent. Coincident with the weakness in sterling the premium on New York funds moved up early in February to the then record level of 17¼ per cent. Funds then displayed tendencies to weakness for two or three months, but in the middle of June soared again to 15½ per cent. The sensation of the year was provided in December, when funds climbed to the lofty elevation of 19¼ per cent., the highest point on record.

The explanation of this seemingly anomalous position is not difficult of interpretation. The United States during the year, as in former years, has been one of Canada's principal markets for exports. Shipments across the line exceeded in volume those of previous years. On the other hand, the advantage to be derived from this situation was offset by the fact that Canada's imports from the United States also increased, but in greater proportion than our exports. The volume was largely swelled by the shipments of goods that may be classed as luxuries, the prosperity of the earlier months of the year stimulating a demand for this class of goods, which could not be wholly satiated by the Canadian products. To finance these heavy shipments of American goods there was a steady demand for American funds in exchange for Canadian funds, with the result that the Canadian funds were at a heavy discount. The sharp recession in Canadian funds at the close of the year is attributed to the fact that American firms were drawing in their capital supplies in Canada to meet dividend, taxation and other requirements in the United States.

Solution of Problem

The simplest solution of the problem of restoring the exchange rate between Canada and the United States to a normal basis lies in extending greater patronage to home industry. As long as the balance of trade is against Canada this situation is bound to continue. The course pursued by Canadian funds during the coming year will depend largely upon the extent to which Canadian people adhere to this principle. The year opens with Canadian funds at a substantial discount.

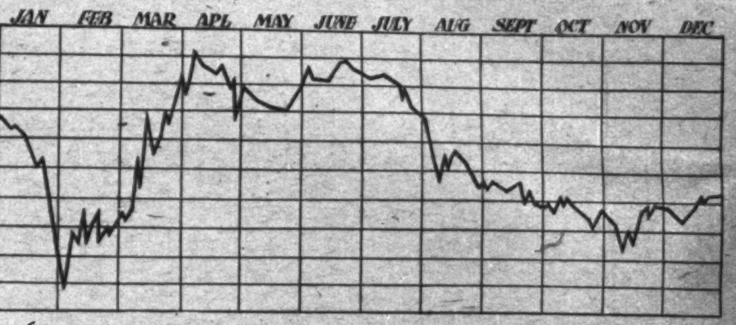
While the United States was in the favored position, with her funds at a high premium in every country, the situation has far reaching disadvantages as well. The United States was least affected by the war and was therefore enabled to enter upon peace production with little delay. Production was therefore speeded up and she was soon in a position to supply the exhausted markets of the world. With the exchange rate heavily against all prospective customers, the obvious course for the would-be purchasers was to speed up their local production as rapidly as possible and purchase only what was absolutely necessary in the United States. The exchange situation has acted in the place of a tariff wall, and has proven a handicap to American trade.

NEW BUSINESS IN INSURANCE FIELD WRITTEN IN 1920 FAR SURPASSES ALL FORMER RECORDS

Continued from page 19.

ance, was formed for the investigation of the charges made. The board took evidence from all parties concerned in the charges and has submitted its report, which has been communicated to the head offices of the companies involved. The charges made in both cases involved the alleged twisting of policies, and in one of the cases the furnishing of estimates in contravention of the Act.

It is believed that while conditions in the agency practices are not by any means ideal, they are constantly being improved and that the influence of organizations such as those above mentioned is constantly being exercised towards this end.



COURSE OF STERLING EXCHANGE IN NEW YORK, 1920

Strong Financial Position of the Province of Quebec

As Shown by Treasurer in His Budget Speech

HON. WALTER MITCHELL, Provincial Treasurer of the Province of Quebec, in presenting his annual Budget Speech on the 17th December, 1919, declared that Quebec Province had been less affected by grave conditions attending the war than many other parts of the world, and he had little fear that it would be, because it is fundamentally sound. The Government had always endeavored to administer the affairs of the Province in a business way, and this year he had the honor and pleasure to announce that it is continuing its practice of having a surplus, and that for the year ending the 30th June, 1919, the Province had a surplus of Ordinary Revenue over Ordinary and Extraordinary Expenditure of $295,221.02.

The Ordinary Receipts in the year 1918-19, showed that the revenue of the Province was increasing from year to year, and was the highest in the history of the Province, with the exception of the year 1917-1918, the large revenue for that year being due to the fact that the duties on Successions were abnormal and exceeded the estimates of 1917-1918 by $3,336,547.84, and the actual receipts of last year by $3,277,532.82. The guiding principle of the Government was that when the receipts are larger than the estimates, larger expenditures are naturally made in the great public services of colonization, good roads, education and agriculture, always, however, taking care to keep within the income.

The expenditures on the above mentioned services for the fiscal year ending the 30th June, 1919, amounted to $5,099,852.19.

The House would also be asked to authorize the Government to borrow $5,000,000 for Colonization purposes, and there would be found in the estimates very substantial increases in the grants to Agriculture, and for the other public services which it was the intention to augment from time to time as the revenue warranted.

THE FISCAL YEAR 1918-1919

The Treasurer then turned to the question of the finances, showing that the estimates for the fiscal year ending 30th of June, 1919, had anticipated an ordinary revenue of $10,293,484.20, and an ordinary and extraordinary expenditure of $10,019,243.68, which would have left an estimated surplus of $274,240.52, whereas the actual results of the year's operations showed an ordinary revenue of $12,666,352.03, and an ordinary expenditure of $12,272,675.31, leaving a surplus of $393,676.72. The extraordinary expenditure for the year, however, paid out of the ordinary revenue was $98,455.70, which gave an actual surplus of ordinary revenue over both ordinary and extraordinary expenditure of $295,221.02. The ordinary revenue was more than the estimates by $2,372,867.83 and the estimate of the ordinary and the extraordinary expenditure, was exceeded by $2,351,887.33.

CASH OPERATIONS IN 1918-1919

With respect to these the Honourable Gentleman explained that on the 1st of July, 1918, there was in the various banks the sum of $999,484.94, but from this should be deducted the outstanding warrants at the same date amounting to $751,516.85. On the other hand, the total receipts from all sources from the 1st of July, 1918, to the 30th of June, 1919, were $14,699,136.81, and the total payments $14,994,978.43, showing an excess of payments of $295,841.62, leaving a balance of $47,873.53.

Industrial Output $900,000,000

The Province is expanding industrially at a rapid rate. Since 1915 the number of Industrial establishments grew from 7,158 to 10,522; the annual wages paid employees from $80,217,258 to $169,850,934, and the value of products from $387,900,585 to $900,453,967.

LIABILITIES AND ASSETS

The Honourable Treasurer then gave a statement of the direct liabilities and available assets of the Province of Quebec, at 30th of June, 1919. He showed that the liabilities formed the total of $43,965,512.47, while the assets aggregated $10,930,221.92, leaving the excess of liabilities over assets at 30th June, 1919, at $33,035,290.55.

DECREASING FUNDED DEBT

On this head, he stated that the net balance of the Funded Debt of the Province was $37,716,286.97. The net balance of the funded debt at 30th of June, 1919, was $299,367.51, less than the net balance of the funded debt at 30th of June, 1918. This decrease was accounted for by the redemption of $165,856.00 of bonds of the loan of 1880 and $178,211.51, invested on account of sinking fund less $41,300.00 debentures issued under the authority of the Act 8 George V, chap. 7, and $3,400.00 debentures issued under the authority of 6 George V, chap. 2.

UNFUNDED DEBT

At the 30th of June, 1919, the unfunded debt consisting of temporary loan, trust deposits, outstanding warrants, etc., amounted to $4,167,298.92, but against this the Government had at the same date in the form of cash, claims against individuals and corporations for advances, Quebec's share ($1,169,009.37) of the Common School Fund, etc., a total of $8,848,295.34, leaving a surplus of assets over the unfunded debt of $4,680,996.42.

ESTIMATES FOR 1920-1921

In connection with this the Treasurer said that the estimates of receipts and expenditure for the fiscal year ending 30th of June, 1921, to be submitted for the approval of the House had been carefully prepared as regards the receipts, consideration having been given to the results of the previous year and the effect of the existing financial conditions and as to the expenditure on the reports of the Ministers of the different departments of the Civil Service, summaries of which were included in the financial statements laid before the members.

These estimates were: ordinary revenue, $11,673,904.09; ordinary expenditure, $11,590,563.57, the estimated surplus being $83,340.52.

$18,813,298 ON GOOD ROADS

On this head the Treasurer showed the expenditure up to the 30th of November, 1919, under the Good Roads' Act as amended by the acts 5 George V, chapter 3, and 7 George V, chapter 9, for work done by municipalities and in construction of Government roads; the amount received from loans made under authority of the said act; the amount advanced from the Consolidated Revenue Fund; the amount allocated to municipalities and the balance to be paid when the work to the amount of their allocation is done.

Payments to Municipalities to date	$12,264,852.52
Payments on Gov't Roads to date	6,548,446.22
	$18,813,298.74
Net proceeds of loans	5,850,805.32
Excess payment over proceeds of loans	$12,962,493.42
Amount allocated to Municipalities to date	$13,310,712.06
Amount paid on same	12,264,852.52
Balance to be paid as work progresses	$ 1,045,859.54

The above statement shows that the payments to Municipalities and on Government roads under the Good Roads' Act, 1912, as amended by the acts 5 George V, chapter 3 and 7 George V, chapter 9, amounted to $18,813,298.74 on the amount of $20,000,000.00 authorized by the Legislature. The Treasurer added that it was the intention of the Government to submit to the present Legislature an amendment to the Good Roads' Act of 1912, as amended by the acts 5 George V, chap. 3, and 7 George V, chap. 9, authorizing the Government to borrow an additional sum under the terms thereof, so that the many demands for the building of highways could be met from which such far-reaching and beneficial results in the Province have been obtained.

The development of our water powers has in a very large measure contributed to this great industrial expansion. The creation of such thriving towns as Grand'Mère, Shawinigan Falls and La Tuque, and the rapid industrial growth of Three Rivers, Sherbrooke, Drummondville and many other cities and towns is due to the development of our water powers. There is no doubt in my mind that our Province is eminently adapted for all kinds of industries. We have the resources; we have the power; we have the means of transportation, both rail and water; our people are industrious, economical and contented, and there is nothing that I can see to retard our industrial progress. Industrial development means more employment for labour, more wages and greater markets for the produce of the farmer.

The Treasurer brought his clear and interesting expose of the financial situation of the Province to a close, with the following words:

"Mr. Speaker, from the statements and figures I have placed before the House it will be patent to all that the position of the Province, financially speaking, is an enviable one. Its bonds are much sought after by investors. Its credit is of the best in the money markets of the world."

> ***"The position of the Province, financially speaking, is an enviable one. Its bonds are much sought after by investors. Its credit is of the best in the money markets of the world."***

Quebec's Finances at a Glance for the Year ending June 30, 1920

Ordinary revenue	$14,472,650.87
Ordinary expenditure	13,520,740.37
Surplus	$ 951,910.50

BUILDERS LOOK FOR IMPROVED CONDITIONS IN THE NEW YEAR; ACTIVITY HAS LARGELY SUBSIDED

Abnormal Conditions Encountered During Past Year Which Proved a Handicap to Building Operations

CONSTRUCTION COSTS ABNORMALLY HIGH

Volume of Building Exceeds Previous Year's Records, However—Housing Scarcity Still Continues— Reduction in Labor and Material Costs Will Revive Operations This Year.

By A. W. BLUE,
Associate Editor, "The Financial Post."

The year 1920, which at the outset gave promise of a development in real estate and building activity on a scale rivalling the boom periods in prewar days, proved somewhat of a disappointment at the close. During the earlier months of the year the promise was admirably fulfilled, every community and city throughout the Dominion entering upon a building campaign of broadscale proportions. This construction work was undertaken and carried on despite the fact that building costs, both in materials and labor had soared to hitherto unprecedented heights. But the scarcity of accommodation of all kinds, after the prolonged cessation of building during the war period, had reached such an acute stage that building in many cases could not longer be deferred. As the year progressed, however, the difficulties encountered in the early months were accentuated by the acute scarcity of funds which developed later, and this combination proved too great a handicap to be readily overcome.

As a consequence, the later months of the year witnessed a steady decline in the volume of building. Residential properties which in the meantime had commanded high prices were in little demand. A general expectancy had developed that early in the new year conditions would improve and that building would be carried on at less expense. Notwithstanding the difficulties encountered the volume of building undertaken during the year is largely in excess of the figure for the previous year. The housing scarcity is still acute, and if conditions right themselves much work will be undertaken during the present year.

Much depends upon the course that material and labor prices pursue during the coming months. At present there is no distinct trend downward, but it is generally felt that this movement cannot be long delayed in view of the slump in commodity prices generally.

The following reports submitted by correspondents of THE FINANCIAL POST reveal the true conditions in the various provinces of the Dominion:

Alberta

The exchange of real estate in Alberta for 1920 has not come up to the expectations of the early estimates. There is no doubt that the lack of rain in time to assure good crops had much to do with this, and followed by the stringency of money and the fear that the prices of grain would fall far below what they had been, made those who were about to purchase very careful. Much of the buying has been local, and from parties who were contemplating changes, rather than from speculators.

The sales will not show better than 50 per cent. of the previous year's, but there is a feeling that as soon as readjustment becomes stabilized, and farm products as well as stock have a definitely fixed value, there will be a revival, and no doubt every available acre offered will be put into cultivation, and values will be again established.

Notwithstanding the acute fall in prices the past few months, there seems to be much optimism and a tendency to hold on and not sell till things become normal again.

In Calgary, the building permits, which are a good barometer, have mounted up well and show from Jan. 1 to Nov. 30 a total of $2,602,700, and much of this is business blocks. Work is still in full swing on many of these, as there has been little snow nor cold to hinder.

There is some demand for residences now, but not more than can be filled as required. There is a general belief that if financial conditions do not prevent, there will be a healthy movement in real estate of all kinds during 1920. A great influx of farmers from England and other European countries is now predicted, and due preparation is made for them by the C.P.R. and other large land selling organizations.

On the whole, the commercial and farming undertakings of Alberta are in a very good healthy condition, and there is no indication of anything hindering them from continuing to be such.

British Columbia

Most authorities on real estate in British Columbia are of the opinion that the coming spring will see a distinct move.

During the summer of 1920 there was a slight flurry in residential real estate, and in some Vancouver districts properties changed hands at figures that are reminiscent of boom days. These prices were not justified—but were in all cases paid by citizens buying homes they wanted, for their own use, not for speculation.

Henry Gee, of Ceperley Rounsfels, Ltd., Vancouver, stated as his opinion that in April, 1921, a movement of building would start. While at the present time the costs of erecting a house had not reached the point where a great number of citizens would be tempted to build, the trend was that way.

Rents are high, and only the uncertain general business condition that exists has held back a huge building program. The need for more houses in all cities is very real, and each week sees a better chance of buying material at a fair figure. Next year, it is predicted, will see a healthy, steady movement of real estate, for use, not for speculation.

Discussing the outlook, Mr. McQueen, of the firm of Faulds, McQueen & Pearce, Ltd., states that right now lumber is 50 per cent. lower than peak prices, selling around $26 per thousand as against $45; shingles sell at $3.50 as against $7.50, and lath at $6 as against $18. Plastering, bricklaying, carpentering, etc., are lower today, not because wages have been reduced, but because bidding is keener and production has been speeded up. Hardware is high, and there seems to be no indication of much reduction; probably because 80 per cent. of the cost of building hardware is in labor, and demands exceed supply right now.

If lumber does not sky-rocket again, declared this builder, we will see a strong and steady building program start about April. Those who want to build can, within the next two months, pick up what lumber they need at prices that will pay them to go ahead.

Manitoba

The real estate market during the past year has been subject to cross currents analogous to those affecting general trade conditions. In considering real property movements the growing demand for farm lands usually receives insufficient attention. The high price of farm products during the two years succeeding the war resulted in a marked advance in the price of farm lands during the years 1919 and 1920. Good lands in districts favored with satisfactory crops show advances in price of from 50 to 100 per cent. during this period. In the selected districts of Manitoba from $80 to $100 per acre was paid during the spring of 1920, and throughout the province generally $50 per acre was a common price.

These advanced prices have been well maintained although some readjustment may follow the fall in the price of farm produce. The farming community, however, is prosperous and a marked decline is not expected.

There was a notable revival in the real estate market in Winnipeg during the past year the volume of sales of dwelling houses, warehouse and retail shop property, approximated prewar days. The absence of an extensive building program for six or seven years has created a shortage of space and a keen demand sprang up for available buildings of every character.

The growing distributing trade of Winnipeg called for more warehouse space and the scarcity of such space became obvious during the past year. Where possible jobbers rented the required accommodation, but in a number of cases warehouses changed hands at satisfactory prices.

The bulk of our building material comes from British Columbia and the high prices prevailing there with the long freight haul have resulted in building costs reaching a point regarded as almost prohibitive. A marked fall in the price of building material and labor would undoubtedly act as a fillip to the building program which the city requires. There is hope that the day is coming that will see the beginning of this movement.

New Brunswick

Although the value of the building permits issued in St. John during 1920 were nearly twice as great as in 1919, the new construction was a long way from being equal to the requirements, and the housing problem has become sufficiently serious. In spite of the general unsettlement of business the industries of St. John have continued to grow during the year and its importance as a wholesale distributing center has increased. Since building operations were curtailed by the war, the supply of houses is not commensurate with the demand. This situation has had a favorable effect upon real estate values. During the first part of the year real estate values were inclined to advance, and trading in the realty market was very active. Latterly the real estate business has been somewhat dull, due it is said, to the stringency in the money market, but values on the whole have remained firm.

While the uncertain business situation may affect calculations, real estate men say that plans are being prepared for building operations on a very considerable scale this year. In some cases these plans are conditional upon the realization of the expected decrease in the prices of lumber and other building materials; in others they represent a disposition on the part of landlords and business men to cope with a situation which, it is felt, is unfavorable to the progress of the city. A number of manufacturers are said to have interested themselves in schemes to build houses of a type suitable for workingmen.

Moncton this year, as for some years past, has put up more new construction than St. John, though it has not more than one-third of the population. In fact, on the basis of population Moncton has been leading most cities in Canada.

At Fredericton and throughout the province generally there are still complaints about the shortage of houses though there has been considerable building.

Nova Scotia

The real estate market in the larger cities of the province has been active, owing to the scarcity of dwelling houses. Many have been built, but there is still a shortage estimated at from 500 to 1,000 houses for the city of Halifax alone. During the past four or five years buildings have been erected in Halifax at a figure in excess of what would be called a good investment as a permanent thing and the indications are that hereafter the costs will be less. The houses that have been built have to a large extent passed into the hands of those who have purchased and occupy them, so that the excessive cost has no very bad effect.

Prices have been kept up because of the high cost of replacement and values of all properties are fully 75 per cent. higher than those of pre-war times.

For the last two months the real estate business has been tied up for lack of funds. While prices were good owners were ready to "sell on terms," but now they want cash and it is not available. The loan companies have practically cut off advances.

There has been no slump in costs of building as yet in Nova Scotia, but conditions are changing rapidly and next year building operations should be lower. The largest percentage of cost has been for labor. Not only will there be economy in labor, but building materials will certainly decline to meet the level of the buyer as in any other commodity.

There have been many transfers of properties in the business portion of Halifax. One of the most important deals of the year was the acquiring of the Silver building by the Bank of Montreal, at the corner of Hollie and George Streets. In the north end of the city the Halifax Relief Commission has completed its housing development in what is known as the hydrostone district. They have built there 326 dwelling houses and all are occupied. This district, as a model town, is probably unsurpassed on the continent. Altogether this makes 500 houses built by the Commission to replace the 600 destroyed in the explosion of three years ago.

Ontario

Building activity in Ontario has been swayed by the tendencies in business during the past year. In the early months when industry was booming a volume of building was under way in the towns and cities of the province which rivalled in magnitude that of the best period before the war. With business depression, however, came a slump in building, and the year closes with the volume of construction greatly reduced.

During the year considerable progress was made in house building and many completed properties changed hands as well. As elsewhere there was and still is an acute housing scarcity. In the face of the pressing need prices and rents rose to high levels, and at the present time, although the demand for residential properties had largely subsided there has been no pronounced reduction in the price of such properties. Interest now centers in the progress being made in the deflation of material and labor costs, for upon the extent of the decline depends in large measure the operations of the present year. The need for accommodation of all forms is still great but until costs have subsided to a reasonable level there is little prospect of a resumption of building on an extensive scale. General conditions are now shaping themselves, however, that it appears these costs cannot be much longer buoyed up, and it is generally expected that by the time weather conditions are favorable in the spring material prices will have made considerable progress toward normal.

Quebec

Building in Montreal started out bravely in 1920, and at the end of the first six months the total of permits issued stood at $8,554,244, a higher total than in 1918, 1917, 1916, or 1915 for twelve months. In the latter part of the year the steadily increasing prices of materials and labor slowed up the movement and the year ended with a total of some $14,500,000, as compared with $10,033,901 for 1919.

On the threshold of the new year the situation is admitted to depend to an unusually great extent upon a fairly drastic cut in costs of construction. Contractors in most cases agree that lumber is certain to average lower than in 1920, with cement and steel in a similar position and brick probably also, although a scarcity still exists. Labor is looked on to furnish the greatest reduction in prices and here it is felt inactivity at first may be required to bring lower wages into general practice. The existence of more unemployment than last year naturally will help the easier wage conditions that builders agree is an absolute necessity to an active year in building and construction.

Among real estate dealers there is a growing feeling that property prices are due for a drop. These advanced last spring almost feverishly, keeping pace with jumps in rentals, but business has been very quiet the last six months, and a determination seems to have taken possession of would-be buyers not to follow owners up to meet the excessive standard that went into effect a few months ago.

Vacant land was extremely quiet throughout 1920; a renewed activity in 1921 must depend on a possibility of buyers being able to put up dwellings at much lower than 1920 costs. Here, too, the future must rest uncertain.

Saskatchewan

When account is taken of all the conditions affecting the real estate business during the past year, Saskatchewan can be said to have enjoyed a satisfactory twelve months. This does not mean that anything like the volume of business which marked the boom days before the war was done last year, or that there were not centers in the province where the real estate man was an unnecessary luxury. Taking the province as a whole, however, a greater volume of business was done than in the previous year and at prices which ranged above the average. This was particularly true of the earlier months of the year, when the people of the province were living in hopes of better than an average crop to be marketed at prices as high or higher than last year's. The general decline, however, in the prices of agricultural produce acted to curtail both building and realty trading.

The year started off auspiciously, with a large number of American buyers in the market. This movement was assisted by the condition of exchange; one case being reported of an American who bought a farm in Saskatchewan out of the exchange on the proceeds from the sale of his farm in the States. As the year progressed, however, and crop conditions in the province assumed a less favorable aspect, a falling off in the demand for farm lands set in, and the year closed with few or no buyers in sight.

The city realty market opened hopefully but early felt the effect of financial stringency. A number of profitable transactions were put through in Regina and indicate that so far as desirably located inside property in the city goes values are on the upward curve. There was also a greater amount of building in Regina than in the previous year and a greater amount relatively than in any of the other urban centers.

The building outlook for 1921 is good. Saskatoon and Regina are both sadly in need of further housing accommodation; and while Saskatoon has announced its intention of making no capital expenditure on public building next year, Regina will build at least two schools and probably other public structures. The provincial government has been voted $3,276,000 for capital expenditure on public works during the year, a very large proportion of which will have to be expended on works already under way.

SEARS-ROEBUCK'S YEAR

Small Decrease in Gross Sales From the Year 1919

NEW YORK.—Sears, Roebuck & Co. will close the year with gross sales of approximately $254,605,045, a decrease of 1.29 per cent. from 1919. This will be a novel experience for the big mail order house which is accustomed to report material increases in gross sales year after year.

Until December, Sears-Roebuck sales, although showing a steady falling off monthly since July as compared with 1919, were running higher than for last year. The drop in December sales to $19,177,458, or a decrease of 38 per cent. over November, brought the total for the year below that of 1919 by $3,324,969.

Probably no other concern reflects so well the buying power of the country as Sears-Roebuck with its 8,000,000 customers, 90 per cent. of whom live in the rural districts.

Religion
Politics
Advertising

—and the greatest of these is advertising—that is when it comes to a matter of a man's mere "opinions" being his firm "convictions."

Religion, Politics, and Advertising, are the three things in which a man can graduate without having to go to college—or at least it would appear so. The office boy and the boss both think they know something about advertising—but advertising costs money—the others don't—or at least not directly so.

Thus it behooves any manufacturer when considering advertising, to employ the services of a competent Advertising Agency.

Let us talk it over with you

Consult us on your advertising plans for the coming season. The present is the opportune time for consideration.

Later may be the time to Act, but have your plans in shape ahead of time. Let us advise you—

—Where and when.
—How and by what methods.
—How much.

We want to get in touch with firms who are desirous of increasing their sales or developing the market for their product.

Many of Canada's most prosperous firms are entrusting their advertising to us.

We would be pleased to confer with you on your plans for increased business.

SMITH, DENNE & MOORE
LIMITED
General Advertising Agents

TORONTO
LUMSDEN BUILDING
TELEPHONE MAIN 329

S.D.&M.
LIMITED

MONTREAL
McGILL BUILDING
TELEPHONE MAIN 1900

NEW YORK
LONDON, Eng.
PARIS

PRODUCTIVE PROVINCE OF IMMENSE ASSETS AND THRIVING PEOPLE

INVESTORS considering bond issues of the Province of Alberta find behind these bonds every evidence of economic stability, a province of immense arable area and with an abundance of natural resources of great value apart from the cultivation of the soil. The people of Alberta in themselves provide an intangible asset of inestimable worth for their pride in their province, and ability to develop its resources to economic advantage are recognized throughout the Dominion of Canada as a combination of forces to be reckoned with in all instances where strong, friendly rivalry exists between the great productive provinces in lines of economic achievement.

With confidence financiers approach any Alberta bond offerings placed on the money markets. Alberta's securities are gilt-edged. Alberta's powers to meet obligations are unquestioned. Able to absorb and liberally satisfy with fertile land, a steady influx of industrious and in every way desirable new settlers, Alberta annually increases in productivity, and in business ability for the disposal of her principal products to the best financial advantage. From a basis of prosperity and productiveness that is waited on by world markets every year, Alberta's people are able to go confidently into the financial centres through their Provincial Bond issues for the capital to increase the economic development of the province, and can point to previous achievement in the fields of economic development and sound finance as proof of their provincial integrity.

THE GOVERNMENT OF ALBERTA

Premier and Minister of Railways and Telephones
Hon. CHARLES STEWART.

Attorney-General	Hon. R. J. Boyle
Minister of Agriculture	Hon. Duncan Marshall
Minister of Public Works	Hon. A. J. Maclean
Provincial Treasurer	Hon. C. R. Mitchell
Provincial Secretary	Hon. J. L. Cote
Minister of Education	Hon. Geo. P. Smith
Minister of Public Affairs and Minister of Health	Hon. C. R. Mitchell

EXTRACTS FROM THE BUDGET SPEECH

Delivered by Hon. C. R. Mitchell, Provincial Treasurer, in the Alberta Provincial House last March

Revenue for year 1919	$ 9,642,739
Expenditures	9,325,748
Surplus	$ 316,991

* * * * *

Public Debt	$34,635,200
Less Sinking Fund	980,623
Net Public Debt	$33,634,577

* * * *

"I know of no other province in Canada, ranking with this province in size and importance that has carried on its business during the past year with less dependence upon outside sources of capital."

* * * *

"One of the chief assets of this province is the character of the people, the character of the administration and last, but not least, our ability to impose a tax which will in the long run be sufficient to meet maturing obligations from year to year."

Estimated Revenue for 1920	$10,582,603
Estimated Expenditures	10,555,508
Estimated Surplus	$ 27,095

* * * *

"The value of the agricultural products this year has been about two hundred and forty million dollars." * * * *

"The dairy industry of Alberta now ranks third among the provinces of Canada, first and second place being held by Quebec and Ontario respectively. Of the four Western provinces, Alberta was the leading dairy province."

* * * *

"The amount of coal produced in Alberta during 1910 was about 36 per cent. of the total amount produced in Canada."

* * * *

"I believe this is the kind of country that will appeal to outsiders of other parts of the world and I believe this province, of all provinces in Canada, will get the maximum of immigration in the immediate future and in the years to come. The foundations of this country have been well and truly laid."

Material assets in abundance, besides, form substantial backing for Alberta's bond issues. In area Alberta is more than twice the size of Great Britain and Ireland, being 255,285 sq. miles in extent, or larger than Italy, Greece, Montenegro, Serbia, and Bulgaria combined. An immense proportion of this vast area is fertile, and vast resources in minerals of increasing value exist in areas not as profitably cultivable, coal, oil, natural gas, and commercially valuable clays being abundant. There are also splendid water powers, and already Alberta is forging to the front as a manufacturing province, although in the first case famous as an agricultural and stock-breeding territory of splendid productivity.

Wheat is Alberta's principal agricultural product, though Alberta does not by any means depend on her wheat fields alone as agricultural assets. The province, however, still holds the world's record for wheat production on a one thousand acre tract with 54 bushels 23 pounds raised as an average yield over an area of that acreage at Nobleford. In 1918 Alberta raised 23,091,000 bushels of spring wheat from an acreage sown of 3,848,424. In 1919 Alberta's wheat production was 34,575,000 bushels, and in 1920 it had increased to 87,696,000 bushels. Besides this generous production of wheat, Alberta raised in 1920 118,953,000 bushels of oats, contributing a noble share to the largest oat crop in Canadian history.

Second to cereal products of the farm in Alberta comes the production of cattle with the by-products of stockraising. Dairy products of Alberta represent a very considerable economic asset, annually amounting to actually fully one-third of the revenue from cattle and livestock generally. The sum of $27,500,000 was realized for dairy products in 1918, and for slaughtered animals $50,000,000 was obtained, while the poultry and egg production realized $4,000,000. Sheep and wool raising forms another important agricultural branch in Alberta, this industry having advanced from the small total production of 1,500,000 lbs. of wool in 1914, to 2,709,584 lbs. in 1918. Many farmers are adding small flocks of sheep to their herds, thus enhancing the value of Alberta's already world-renowned production from farm livestock. Cattle are kept by the Alberta farmers in herds of from 50 to 500 head in the northern part of the province, and in immensely more numerous herds on the far-famed southern ranges. The stock markets at Edmonton and Calgary do a substantial business in beef and cattle and large numbers are exported East- and Westwards. In 1901 there were in Alberta only 375,686 head of cattle all told. In 1918 there were 328,702 milch cows, and 1,362,880 other cattle. Alberta is also noted for production of fine horses. In 1918 there were in the province 791,246 horses, valued at $79,124,600. Production of hogs is also an increasingly important agricultural industry in Alberta. In 1901 there were only some 46,000 swine in the province. Last year there were over half a million, and the United Farmers of Alberta were marketing as many hogs as the oldest commission firms by their newly-developed co-operative system.

Population of Alberta has been referred to as enterprising. The people number nearly 600,000 according to the latest estimates based on census figures and figures of known immigration. In their municipalities and communities the people of Alberta are businesslike, and practical to develop wisely and substantially. The Department of Municipal Affairs is a Provincial Government portfolio in charge of a capable minister and devised for the advice and assistance of all municipalities carrying on development work of the Province, and undertaking financial expansion. Expert municipal audits are carefully made, and the business methods of Alberta's communities are carried on by no haphazard or inexperienced methods. The people of Alberta own their own telephone system, which embraces 26,603 wire miles of long distance and toll lines. Its rural connections serve 84,000 square miles of territory with 719 towns, villages, and smaller centres at call. There are 52,735 subscribers' stations throughout the province, and all the important centres of British Columbia and Saskatchewan are within wire call of Alberta's telephone system. Last July connections were also completed with the Mountain States Telegraph and Telephone Company at Sweet Grass Mountain.

Splendid roads have been, and are being constructed to serve Alberta's needs. Up to the present some $6,000,000 have been expended in this direction. Development of water powers is also proceeding by public and private enterprise to the extent of millions of dollars, and this form of development will do much to advance the potentially important areas of Alberta to the North, where immense growth may be counted upon within a few years.

Investors, Settlers, Manufacturers and Merchants write for Particulars to the Government Offices at Edmonton, Alberta

Address J. McCaig, Chief Publicity Commissioner and Editor of Publications

Securities Outlook For 1921

Continued from page 17.

prices of raw and refined sugars and it found itself forced to mortgage its property in order to provide loans to enable it to carry on. As soon as there is a recovery in the prices of raws the upward movement in the reconstruction process of Atlantic Sugar Refineries should begin. At the time when conditions hit it so hard it was generally reputed to be the leader in output of refined sugar in Canada and a very energetic advertising policy helped it considerably in getting a strong hold on the trade.

Bell Telephone Company

This company is looking forward to increased rates which it is thought will be of a permanent character and enable it to have a larger margin this year between the cost of operation and gross earnings. The company is in the fortunate position of being likely to receive a permanent increase through the Dominion Railways Board at a time when its costs of operation will be steadily declining. On the whole this condition is a good deal of the reverse of that of the ordinary industrial company which has to look forward to decreased earnings for the next few years.

Brompton Pulp & Paper Company

A review of the immediate future of this company appeared in last week's issue of this paper. In brief it faces on the one hand declining profits until the pulp market recovers both in price and demand, while on the other hand it will have the advantage of a new groundwood pulp mill with a capacity of 100 tons a day shortly in operation. With its American plants, which have proved so far highly profitable and which it acquired under very moderate terms, it is showing a wide margin over its dividend requirements even at the increased rate of 7 per cent.

After starting the past year with an increased production and sale the company had to face the scarcity of coal which it particularly requires in its business, and for several months one or more of the plants had to be closed down. This brought down the production very considerably and it is doubtful whether the company's output will reach as high as last year and therefore it is almost certain that when the annual report is issued the profits are likely to show a decrease over those of last year. This again may mean that the dividend on the common is not quite earned. If there is a general decline in building materials the company can look forward with confidence to an increase in demand for its products next year.

Canadian Car and Foundry Company

After having a very disappointing year in 1920 the company is more favored for the New Year in being able to get a more steady supply of materials and having its labor troubles fairly well settled. With business on hand of over $25,000,000, it is looking forward to a strong demand for railway equipment. There is an uncertainty as to the price of materials and in a declining market the company stands to net smaller profits from a percentage standpoint than under normal conditions. The president, however, is very confident that the New Year will prove much more satisfactory than the past year has been.

Canadian Cottons Limited

This company, like nearly every other textile company, is faced with conditions where there has been very little buying on the part of the trade and also with a demand for a marked decrease in the price of its products. A great part of this, so far as new goods are concerned, is covered by the decline in raw cotton prices. It has made two decreases in its price list in the last couple of months but business has slackened up considerably so that its mills are not working now on a full six-day basis. When trade begins to pick up in a couple of months or so it is believed that business will become more brisk for this company particularly as stocks are not large throughout the country.

Canada Steamship Lines

This company faced one of the sharpest breaks on the stock market of the year considering the large earnings that are certain to be reported for the year 1920, said to run over $4,000,000. This will leave a margin several times over for the common dividend. Looking to the year 1921 the company expects its earnings from its lake freight traffic to run still larger than during the past year as it has received a large portion of the benefit of increased rates which were given to the railways. There seems little doubt also that its tourist traffic will continue at a high mark. On the other hand the large earnings from ocean traffic would appear to be over for the time being, and this end of the company's activities may serve mainly to help the company in securing hauls of freight from the upper lakes by offering transportation direct to European ports. It is the company's intention to extend its ocean connections as soon as conditions warrant.

Detroit United Railways

This company has had a rather unfortunate struggle with the city during the past year and the uncertainty of the outcome has no doubt been reflected in the price of the stock. At present it has offered the city a lease of its line or offered to lease the line that the city is building in competition. The company may sell out to the city at the end of the period also, or an arrangement may be made by which service at cost as it is termed will be brought into effect in Detroit and the company allowed a return of 6 per cent. on its physical assets. In any case it seems certain that there will be a doubling up of the stock of the company before very long and a very large increase in earnings is looked for when the annual statement is brought before the shareholders. There is a large equity behind the stock and the company's future appears very promising.

Howard Smith Paper Mills

This company is likely to show a very large increase in its earnings for the year 1920 as a result of the high prices that were being paid for its products of high grade papers for the most part of the year. For the last couple of months of 1920, however, the demand for these papers fell and the price went down with it. How long this will continue no one knows, but as soon as business begins to pick up it is presumed that the demand for these papers will become more active again, and the company's earning power will be thereby increased. The output of the company for this New Year will be considerably increased and this will be helped also by the largely increased production of sulphite pulp at its Cornwall mill, this "home" output lowering the cost of production of paper.

Dominion Bridge Company

While business in the regular structural steel lines of this company continues quiet, the subsidiary company, the Dominion Engineering Works, is proving a successful experiment. Two large paper machines have been turned out for the Laurentide Company and the favorable reception that they have met should secure for the new company steady business in the way of pulp and maper making machinery. The company is also engaged in making hydraulic power machinery in conjunction with an English firm and this business is expected to develop to large proportions in the next few years. Public opinion in regard to the Dominion Bridge Company still remains uninformed as to the exact relations between the parent company and this subsidiary, as it was for several years during the war in regard to the Bridge Company and the St. Lawrence Bridge Works and the Dominion Copper Products and other subsidiary concerns.

The Laurentide Company

This company started the new year with one new machine in operation and another one soon to start, with a production that is expected to run 130 to 150 tons extra per day. All of this production is contracted for by the New York Times at the current rate of $130 per ton, and this in itself will mean a very large increase in the earnings in net profits of the company during the year 1921. This, with the increase in the rates for newsprint during the last half of 1920, should combine to produce an annual statement as of June 30, 1921, that will show a very considerable increase in net earnings and amount available for the common dividends over last year. Even if the price of newsprint declined after the first quarter of the present year, there seems no reason to doubt that the company with its whole output, which will then amount to nearly 400 tons of newsprint a day, as well as surplus pulp, should earn handsomely on its capitalization.

Penman's, Limited

This company, like most other industrials, is faced with a very quiet condition in the knit goods trade. Prices submitted to the trade for spring in most cases showed considerable advances over those prevailing at the time and the same revolt against these prices was seen as in the case of the general public. Buying, therefore, has been very light and it promises to be for some time to come. Stocks in the hands of the retailers are still considerable and this company, like a number of others in the textile business, is certain to be forced to take a loss of some proportion on its inventories. Its chief asset still continues to be a sound reputation among the trade in underwear and hosiery, as well as sweater coats, and adopting a conservative policy during the past four or five years it has piled up a surplus of earnings over dividend disbursements equal to over 100 per cent. on the common stock. This should be regarded as a sound investment.

Riordon Pulp & Paper Company

The recent financing of this company, under which an offering of $6,500,000 worth of bonds has been made in the United States, will help wipe out indebtedness due to the big developments in connection with the Kipawa mill, which turns out a high grade bleached sulphite pulp. For the time being the company is faced with a very quiet sulphite pulp market and a considerable reduction of price compared with what was paid a few months ago. This applies both to Norwegian as well as Canadian and United States pulp. It is likely that the quiet market will continue for several months, and quite possible that the high prices that were reached in the early fall may not come again for some time. The lumber business which the company had acquired with its Edwards and Gilmour-Hughson limits is also quiet for the time being, but over a considerable period these lumber and pulp wood limits will prove a most valuable asset to the Riordon company. The common stock of the Riordon Pulp & Paper Company is dependent for dividend earnings upon the dividends paid on $9,000,000 of 7 per cent. preferred stock and on any dividend that may be paid from $12,000,000 of common stock, that is the new Riordon stock, which it has in the treasury. It seems unlikely that any dividend will be paid on this stock for a little while to come. Conditions, therefore, have somewhat halted the rapid stride in net earnings that will be shown by the company for the whole year 1920, but there should be no misgivings as to the future.

St. Lawrence Flour Mills

Since the beginning of its new fiscal years, starting on September 1, 1920, this company has found export business very much below that of the corresponding period of 1919, so that its earnings have run considerably less. This is due chiefly to the fact that at the latter part of 1919 larger orders were given the Canadian mills by the Wheat Export Company for shipment to England and scarcely any orders have come in from English sources during the last four months of the year 1920. There has been a fair amount of business in the United States, but not sufficient to make up for the falling off in English buying. Some business, however, has come through from England, and there is a feeling that this should improve very soon and once more reach normal proportions. As the St. Lawrence Flour Mills is dependent entirely on the earnings of its milling it stands to show considerably smaller profits unless the English business does improve very considerably during the first half of the year 1921.

Spanish River Pulp & Paper

This company, like the other newsprint mills, has been fortunate under present industrial conditions in finding not only a market for its whole production of newsprint, but at a price that is averaging it some $30 a ton more than the price paid it for the greater part of 1920. No one at the present time knows whether the price of $130 a ton that is ruling until the end of March will be continued or reduced at the first of April, but in any case, the company seems certain of a market for its production all the present year at very profitable figures. It should be noted that Spanish River earnings for the last two or three months have been considerably reduced from those of July and August as too low water prevailing has forced it to purchase large quantities of groundwood pulp at the fairly high prices prevailing and on this account its net profits on the production at one large mill of newsprint have not been as large. In spite of low water, however, the output of newsprint has continued considerably over 500 tons a day and the average for next year should run well over 600 tons a day. The earnings of the company are running several times over the dividend requirements.

Wabasso Cotton Company

This company is probably in a more favorable position than the average textile company for the time being, in that the lines it manufactures are of a high grade quality of white cotton and the English competition in cottons has not been as keen for some time past as it was. The wholesale importer explains this by the fact that the prices of the English textile mills have not been reduced in proportion to those of the Canadian and the United States mills, particularly the latter, which had soared to unheard of levels. The company has still good business on hand and with the strengthened position in the domestic trade it should maintain the strong position it now occupies.

Quebec Railways

During the year the stock of this company fell 50 per cent. of its high point in the general decline. While it had considerable of a deficit last year it is gradually working up to a position when it will be be confined in its activities to a street railway and producer and seller of light and power with all its steam lines taken over by the Government or private corporations. It is anticipated that during the present year final arrangements will be made for the last of these to be sold and in this case the company's financial position will be very much improved. Just when a dividend will be paid on the common stock is a little uncertain as various complications in connection with the French bond issues have still to be disentangled. Earnings for the company, however, have been running very much higher during the past few months due to increased street railway and light and power rates

Sherwin-Williams Company

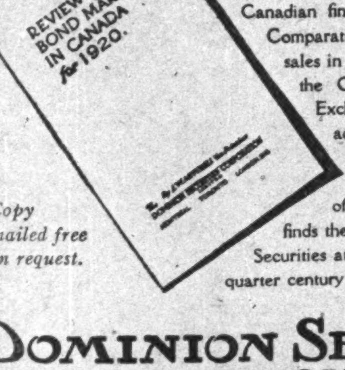
Here again, as with most companies with large stocks on hand, a certain loss will have to be absorbed in the decline of prices. This has come rather late for the paint companies, but is now in effect. Business, however, of the past year showed a great advance and backed up by several previous years of excellent earnings resulted in the common stock being placed on a dividend basis. In addition to the splendid domestic business the company's expenditures in England and in Australia seem certain to net them a good return.

NEW BOO LET

"Review of the Bond Market in Canada for 1920"

By J. W. Mitchell Vice-President
The Dominion Securities Corporation Limited

CONTENTS:
Canadian financial conditions in retrospect; Comparative Statistics of Canadian bond sales in the United States and Canada; the Course and Effects of Foreign Exchange on Security Values; Canadian Victory Loan Market Committee discontinues its operations; the "Embargo" on importation of Securities. January 1st 1921 finds the prices of Canadian Investment Securities at the most attractive levels in a quarter century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STABLE MARKET IS THE HOPE OF LUMBER TRADE

Unsettled Conditions Not Good for General Situation

LITTLE PESSIMISM

But the Outlook is Far From Settled and There Are Many Predictions as to the Future

By G. B. VAN BLARICOM.
Canada Lumberman.

It is much easier to review any great industry than to make predictions regarding its future. Nearly everyone connected with the lumber business has some theory, explanation or deduction regarding the present stagnation, and as many opinions are offered respecting its future as there are men engaged in the vocation. Much depends upon the angle from which one gauges the situation. The manufacturer has a different viewpoint from that of the wholesaler and the wholesaler's version does not meet with the approval of the retail lumberman, while the latter looks at things from a different focus than the consumer. Each one is, apparenty, able to see the weakness in the other's position but can discern no imperfections in his own sphere of activity.

These observations doubtless apply more pertinently to lumbering than any other industry for the reason that forest products do not constitute a commodity that can be turned out in a week or a month like many other articles in common use. The timber that is being cut to-day will, perhaps, not be marketed in finished form anywhere from a year and a half to two years, and in some instances it will be longer before the logs reach the mill, are sawn into lumber and that lumber thoroughly air-dried and shipped to its destination to be converted into dwellings, warehouses, automobiles, agricultural implements, wagons, furniture, phonographs and many other conveniences in common, every day requisition. This is a feature which the public too little appreciates, so that price recessions on many other lines must take place a long time before there is any resultant benefit to the lumber operator who has to purchase his supplies months in advance and carry on his enterprises by long range financing or, in other words, it is an extended period before the manufacturer gets his pay.

Another feature, which might be emphasized is the popular pastime of blaming lumber as being the deterrent to active building operations and making it "the goat." Every city, town and village in Canada is clamoring for more housing accommodation. The demand has been growing in intensity and must sooner or later be satisfied. Action cannot be deferred, and there is no doubt that a building boom is bound to come. For seven years structural operations have not been normal and the war caused in some centres a complete cessation in house-building as well as extensions to factories, warehouses, mercantile establishments and other edifices. There will always be a call for lumber, and, while a temporary depression has set in, there is no doubt about the ultimate recovery of the market.

Maintaining a Balance

The great problem in Canada today is to keep supply and demand balanced from year to year. The cut during the present season will not be nearly as large as that of twelve months ago. This is merely a matter of precaution and a desire on the part of lumber manufacturers and distributors to proceed prudently until demand reasserts itself. This is likely to come within a few months and the present period is only a stopping-point on the route to progress and expansion.

The questions that naturally loom up are: What about values? Have they touched rock bottom? Will they ever soar again to the high peak which they touched in the spring of 1920, or will they stop at some midway point? The consensus of opinion is that lumber will not be any lower than it is at the present time as it is now being sold at considerably less than the present cost of production. Of course, if the scale of living goes down and wages descend and everything else is reduced in proportion, lumber may be manufactured and distributed at a level even below that which now prevails.

The Buying Strike

The price recessions, which have taken place in many lines, do not indica a healthful decline in value but her were forced through a lessened demand, in reality a buying strike. Even if the volume of trade increases and conditions and values are more or less stabilized, it is doubtful if the frenzied demand and aviating quotations of the early months of 1920 will predominate. Instead, sane competition, coupled with greater efficiency and increased output will rule. This leads to the thought that there may be a point beyond which it will be decidedly hurtful to all concerned for the buyers' attitude to be carried. If it was the purpose of the buyers to depress prices, this purpose has now been accomplished. It will do little good to force further curtailment of production or to compel a long continuation of the period of low production. In the long run, a decreased output inevitably means higher prices, not only because it reduces the ratio of supply to demand, but because it costs substantially more to produce small quantities of any commodity than it does large. A normal, steady production of lumber at "live-and-let-live" prices is what all want— what is best for producer and consumer alike —and the sooner all unite to bring about that condition the better.

In spite of what some may think and say, the law of compensation still rules. The inevitable reaction from the existing depression is bound to occur. This is only a passing phase, and one that will soon be forgotten. Business will pick up, orders will come freer and in greater volume, money will be easier and lumber and all other industries will be pursuing the even tenor of their way.

Hoping for the Normal

The great need of to-day in the lumber arena, as already indicated, is to re-establish a rational, normal basis of buying, the stabilization of prices, production and consumption, and mutual confidence and co-operation. Unless there is a fair distribution of activity, and business is being done in every line, there can be no prosperity to divide.

The files of the departments issuing permits, those of the architects and engineers, show that there is a general desire to utilize both capital and labor. Those who are optimistic predict a great increase in operation along every line of enterprise during 1921.

The realization of these evidences by a steady consistent attendance to a proper marketing of commodities can be assured and we will soon tide over what presently appears to be a displacement or temporary cessation of activity. To-day will soon be yesterday and the man who does the exacting things first finds that what he thought unsurmountable is after all only trifling. The vision from the hill-top is much more inviting than groping around in the valley of doubt and despair.

Outlook is not Dark

In spite of the present quietness and process of reconstruction there are few, if any, pessimists in the lumber line to-day. They are all confident that sooner or later readjustment conditions will give strength and prosperity to the business. The latent demand for lumber for normal consumption and to make up deficiencies in railroad, industrial and general building lines will manifest itself. Means of closer co-operation within the industry and the co-ordination of effort toward market expansion are desirable. This calls for the maintenance and development of public confidence in forest products by establishing price stability at reasonable levels, and by teaching the proper selection and use of wood for given purposes. The raw material represented in growing forests is one of the safest and most valuable natural resources in a country like Canada, the richest and most varied timbered possession in the great British empire.

The Dominion does not want another runaway market in 1921 as was the case during the first six months of 1920, when lumber prices were carried to the highest pinnacle ever reached and proved to be one of the factors, but only one, in bringing the building programme to a halt. This caused a cessation of buying that in turn sent the lumber market tumbling to the point where selling values are lower than the cost of production. A repetition of this experience is not desirable in the interests of the purchaser, distributor or consumer. Here are the words of one who has given close thought and study to market conditions, past, present and future. The lumber business has been running in a circle, such as:

High prices make increased production.
Increased production makes low prices.
Low prices decreases production.
Decreased production makes high prices.

"That," he adds, "is the way it keeps going. Why can't we strike a happy medium and hold it there for a while?" This is the sentiment and the hope of all members of the great industry during the coming year.

READJUSTMENT YEAR IN TEXTILES AND OTHER LINES

Many Big Declines in Retail Prices for Apparel

MEN'S WEAR UPSET

People Have Been Looking for Rock-bottom Prices—Cancellations and Luxury Taxes Create Problems

To manufacturing and retail interests in the various textile lines, the year 1920 will be referred to as the readjustment year. Despite volumes of words and pages of newsprint heralding the "readjustment period," it came sooner than was expected. Financial heads of big houses whose turnover runs into millions, men whose sole business it is to study the markets and watch the development of trade, say that it came from six months to a year sooner than they looked for it. It was understood that the readjustment was another word for revision of prices downward, but the revision has proceeded at an unhealthy pace. Prices went up step by step, but they have come down the banister. Two factors have contributed largely to this too speedy revision —the weather and the public's refusal to buy. Since the winter of 1919-1920 lost its grip there has been unseasonable weather. Spring was wedged in so tightly between winter and summer that nobody missed it. Summer was like fall and fall was like summer; and as the curtain falls on 1920 the weather man stands on the watch-tower still looking for that type of winter weather that inspired "My Lady of the Snows."

The Present Situation

The public were advised to hold off buying until lower prices came. They took the advice; the more readily did they take it because the weather played into their hands. Retail stocks last spring began to accumulate, and they were heavier then than ordinarily because during the years of plenty they had bought heavily, and they had increased their accounts because deliveries were uncertain. Spring trade was nothing compared to what it should have been under ordinary conditions. Summer trade was slack. Fall trade was upset because of unseasonable weather. And the merchandising of winter stocks has been marked by an altogether unusual development, that is. innumerable cut-price sales in mid-season. Gradually, the retailer has held off buying until it has become "spotty." His own stocks are heavy and he is being forced, in many instances, to unload them to get money to pay his debts. His spring placings have been insignificant. He is battling with a public that has declared a "buying strike" and his retrenchment takes the form of a similar strike which falls upon the wholesaler and the manufacturer.

Unemployment

Many of the textile factories, more particularly in men's wear lines (and in these lines, particularly clothing) have either closed down or are running on short time. The logic of the situation is inexorable. The public does not buy, being unconvinced that prices are down to rock-bottom. As a result the retailer adopts the same attitude with regard to the wholesaler. The wholesaler follows suit, and with no orders ahead, the manufacturer closes his doors. The daily press, which a few months ago advised people to stay out of the market, is now at considerable more pains to advise them to go into it, telling them that prices are down to rock-bottom and that they are forcing men out of work by not buying their necessaries. When the buying public declares the strike off, the wheels of industry will begin to move again.

Cancellations

One of the most baneful developments of the trade during the year was cancellations. With stock accumulating, with an increasing consumer resistance to purchasing, retailers poured their cancellations into wholesale and manufacturing firms. These cancellations amounted to hundreds of thousands of dollars. British houses were indignant over cancellations from Canadian houses and threatened "black-listing." Clothing houses, silk men, neckwear, hat, and hosiery men were inundated with cancellations. They did not care to take legal steps to enforce the inviolability of orders because of the effect their stand would have on future business. The whole question of cancellations continues to be one of the most pressing in the trade. Associations should get together and mutually agree upon some form of contract that becomes binding. If it is not done, the same evil will be encountered again with another cycle of depression.

A review of the year's business would not be complete without some reference to the luxury tax, though much has already been written with regard to it. Having a budget brought down and revised in serial form is a new development in the political science of professional statesmanship. And it proved to be as harmful as it was new. Peculiarly enough, the introduction of the budget and about the only seasonable period of spring weather synchronized. The initial mistakes of the budget were so apparent to everyone but its makers that amendments were only a matter of time. Business in many lines of men's wear, in the meantime, was killed, and the effect of the tax in killing sales since its inception and amendments has been continuous throughout the year. It would seem that even the Government might have learned the lesson that, in the framing of a budget dealing with some thirty-seven out of fifty-five of the branches of retail or manufacturing trade, it might be well to consult with leaders in such branches of trade.

He would be a wise man who could foretell the future. There is nothing in primary markets, however, which justies popular belief that a permanent reduction to pre-war prices or something approaching them will be

Continued on page 34.

INCORPORATED A.D. 1833

British America Assurance Co.

FIRE, MARINE, HAIL AND AUTOMOBILE INSURANCE

Assets over - - - - - - - $4,300,00000.
Losses paid since Organization in 1833 over - $47,500,000.00

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and General Manager

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VICTORY and WAR LOAN BONDS,
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call at our nearest branch. The manager will be glad to handle the transaction for you through our Bond Department in Toronto.

A list of attractive bond offerings published monthly is on file at each of our offices or will be forwarded to you on request.

THE CANADIAN BANK OF COMMERCE

Capital Paid-up $15,000,000 Reserve Fund $15,000,000

Toronto Branch: D. A. Cameron, Manager
E. P. Gower and A. G. Campbell, Asst. Managers

SUGAR UPSET THE MARKETS IN THE GROCERY TRADES

Government Interference Unsettled Basis of Whole Industry

FLOUR AND HOGS

Price Movements Have Been Interesting, But on the Whole Adjustments Have Been Successfully Made

By J. L. WYCKOFF,
Canadian Grocer.

The markets for grocery commodities were, during the first part of the year, in a strong condition with prices steadily rising. It was not until well into the middle of the year that the break came, undoubtedly attributed to the banks tightening credits. With the exception of sugar at no one time was there a slump, the recessions being gradual. The most interesting feature of the year was sugar. In January refined sugar was quoted at $14.50 per cwt., Montreal, with indications on the surface of a shortage. At the time the Board of Commerce was making a vigorous effort to keep down sugar prices, restricting retailers' profits to one and one half cents per pound and wholesalers to five per cent.

Raw sugars were in a runaway market, the planters apparently offering small quantities, quite content to sit back basking in the sunshine of high prices and watching buyers and speculators eagerly bidding for the small shipments and incidentally boosting prices to the highest on record since the American Civil War.

It was about this time too, that the Canadian Government was advising the public to lay in stocks of sugar sufficient to carry them over the preserving season, emphasizing the fact that sugar would be very scarce, and requesting the refiners to stock up on raws. Refined sugar in the United States was then scarce, selling at seven to ten cents per pound higher than in Canada. This was tempting Canadian refiners and other holders of sugar to ship to the United States, taking advantage of the exchange and the ready market over the border. but the Board of Commerce stepped in, and prohibited the exporting of sugar from Canada.

Effect of Interference

About the latter part of February the refiners were commencing to feel the pinch of the Board of Commerce ruling, restricting their prices to a certain basis, and, with the steadily advancing cost of raws, made application to the board to be permitted to make an advance in accordance with their cost. This resulted in all restructions, in so far as prices were concerned, being removed. The removal of price restriction immediately sent the wholesale price of sugar up $2.00 per hundred, which made quotations at the beginning of March $16.50. From that time on sugar prices advanced in leaps and bounds until in the month of August they reached $24. This high figure, however, was not long maintained, due to the fact that the sugar market in the United States commenced to slump. Prices on both raws and refined over the line were receding as fast as they had been climbing at the beginning of the year.

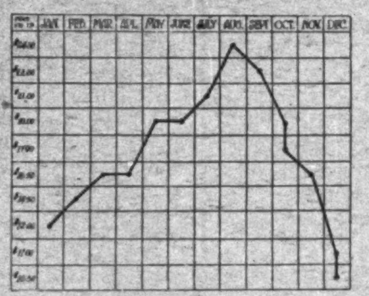
Sales of sugar in Canada direct from the refineries were becoming smaller, speculators and others were dumping their holdings on the market, all anxious to get from under before the crash came. Refiners were not doing any business to any extent and they at once reduced to $19.50. Refined sugar in the United States had also reached a low level of 11 cents per pound, which could be laid down in Canada at around 14½ cents, a factor that no doubt had somethinig to do with the last two reductions.

Then came the greatest upheaval in the history of the sugar business. Canadian refiners claimed they were due to lose millions of dollars owing to the declining price of raws and the fact that the Government through the Trade Commission advised them to lay in large quantities of raws when the price was at the highest point, and then placing an embargo on exports. This left the refiners high and dry with hugh stocks of raw sugar bought at high levels when the market commenced to sag. At a conference with the Board of Commerce and the sugar refineries, the board decided to prohibit the importation of American refined sugar and placed the wholesale price of sugar at $18.50 and the retail at 21 cents per pound. This was immediately responded to by vigorous protects from all parts of Canada, wholesalers, retailers, manufacturers and consumers raised such an uproar that before four days had elapsed, the Government stepped in, and over the head of the Board of Commerce rescinded the order.

From that time, until the middle of December the sugar situation was one of complete demoralization. Depressed sugars were dumped on the market from all corners. Manufacturers, speculators and other who had any surplus sugar were offering it at almost any price they could get. The refineries were forced to close. The Canadian beet sugar appeared on the market which had the effect of further reducing prices. This condition existed well into December when the market commenced to stabilize and prices were on an equal basis of $10.50 per hundred weight.

Regarding Canned Goods

The opening 1920 prices on canned goods were almost on a par with 1919. Owing to the fact that few merchants were buying to any extent, prices were reduced in order to speed up sales. This condition existed in practically all lines of canned goods with the exception of sockeye salmon. The pack of sockeye salmon in 1920 was extremely light and it is doubtful whether there will be sufficient to carry until the new pack. The year closed with other varieties of salmon—pinks, cohoes and chums selling at a lower price.



SUGAR IN 1920

Owing to the high cost of sugar during the fruit season jams opened at extremely high figures. But like other lines, merchants did not buy with the result that prices were reduced and there are indications that further reductions will be made to bring them more on an equal basis with the lower cost of sugar.

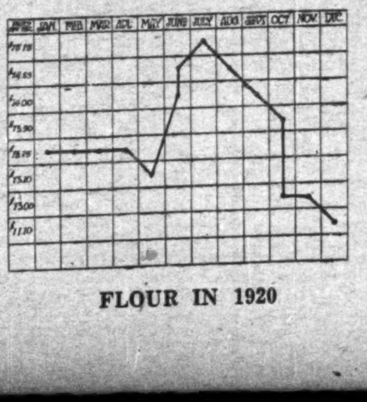
Cereals and Hog Products

Flour and cereals continued in a strong situation well up to the time that the crops were harvested and something definite was learned about the size of the grain crops. Flour and cereals then commenced to gradually recede. The highest quotation on Manitoba flour during 1920 was $15.15 per barrel. The year closed with the lowest quotation of $11.10 per barrel.

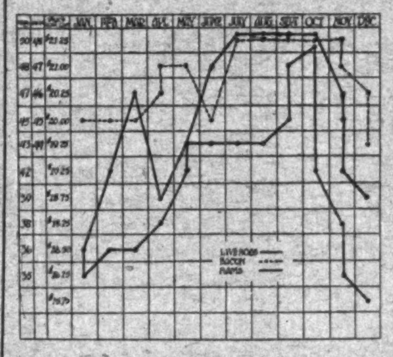
Hogs and hog products continued in a firm position, with prices steadily advancing until the end of October when packers commenced to hammer down prices and they succeeded in bringing them to the lowest level of the entire year—$15.75 on the fed and watered basis, Toronto. About the middle of December packers were not receiving sufficient hogs and were forced to offer higher prices and the month closed with the hog market rather firm and prices slightly higher. The highest price for hogs was in the month of October when they reached $21.25 fed and watered basis. The decline in the price of hogs may be ascribed to the lull in the export bacon trade, due to the continued control of bacon by the British Ministry of Food. The lower cost of grains may have had something to do with it, but when it is taken into consideration that there are less hogs in the country than there has been for several years, it is not likely that hogs will reach any lower permanent price.

Imported Lines

The new crop of California raisins opened at prices about ten cents above 1919 prices. The demand for raisins in the United States for beverage purposes was very large with the result that raisins were one of the few commodities that continued strong throughout the year. The raisin market closed at the end of the year two cents per pound higher than the opening prices. Currants, although the new crop opened at prices below last year, continued in a strong position and the tendency is that they will remain so. Prunes are the weak spot in the dried fruit market. Prune prices opened at three cents below 1919, but the year closed with prices three cents below opening and the market weak with indications for further reductions at the turn of the new year.



FLOUR IN 1920



HOG PRODUCTION IN 1920

Teas, coffees, spices and soaps were in a weak market for practically the whole of the latter part of the year but it was not until the month of November that any declines were registered and then the reductions were small and if any further reductions are made, the declines will no doubt be gradual.

There is a great deal of speculation as to what will be the future prices of general groceries—whether they will be lower in 1921 or whether they will advance. Future prices are hard to predict and are beyond the control of anyone, even the producers. The old law of supply and demand is again coming to the front and will soon assume the reins of power and control. There is a feeling however, that many lines have reached a stabilized price basis and that the worst has passed and that better times and better business are on the horizon.

NEW RECORD FOR U.S. FOREIGN TRADE

Total Volume Will Exceed $13,000,000,000, Increase of $1,000,000,000

NEW YORK.—The foreign trade of the United States makes a new "high record" in 1920. The record of eleven months and the knowledge of what is going on in the foreign trade in the twelfth month justifies, says a statement by the National City Bank of New York, the belief that our foreign trade in the calendar year 1920 will be "the biggest ever" and exceed $13,000,000,000 as against a little less than $12,000,000,000 in 1919, slightly more than $9,6[illegible],000,000 in 1918, and $4,259,000,000 in the fiscal year 1914. Exports will apparently cross the $8,000,000,000 line as against $7,920,000,000 in 1919 and $2,365,000,000 in the year preceding the war, while imports will exceed $5,000,000,000 as against $3,904,000,000 in 1919 and $1,894,000,000 in the fiscal year 1914.

These increases occur, on the import side, in all of the three great groups, "raw materials for manufacturing," "foodstuffs" and "manufactures." The demand in the first half of the year 1920 for raw materials abroad was very large, and the prices were very high. The value of raw material imported for use in manufacturing will be apparently about $1,750,000,000, an increase of about $250,000,000 over the preceding year. Crude foodstuffs show no material increase, but in the foodstuffs "partly or wholly manufactured," which includes the item of sugar, the total is more than double in value that of 1919. Finished manufactures will show a big advance, standing for the ten months ending with October at $757,000,000 against $368,000,000 in the same months of the preceding year.

On the export side, the striking characteristics are a big gain in the exports of manufactures, a material increase in the value of raw material, an increase in wheat and other grains, but a big fall off in meats and dairy products. Finished manufactures exported will show a total of over three billion dollars as against about two and a half billions in the preceding year, and the grand total of manufactures of all kinds, including the group "manufactures for further use in manufacturing," will be over four billions. Raw material for manufacturing, which consists chiefly of cotton, will apparently exceed 1918 by about $300,000,000, and crude foodstuffs, which means wheat, rice and corn, and other articles of this character, will show an increase of $250,000,000, while foodstuffs "partly or wholly manufactured," show a big fall off, and the total for the year will apparently be only a little over one billion dollars against $1,963,000,000 in 1919, which was by far the highest record of exports of this class of foodstuffs. This startling decline in exports of meat and dairy products is illustrated by the fact that bacon exports in the ten months ending with October, were only 510,000,000 pounds against 1,066,000,000 in the same months of the preceding year, and in other articles a similar decline.

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In addition to offering Government and Municipal Bonds, we have for fifteen years been associated with Canadian investors in the financing of forty-three great Canadian industries, employing a capital of many hundreds of millions of dollars.

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Despite this diversity of product, each industry has been fundamental to national well-being.

Basic necessity, plus natural resources to meet it, is the keystone upon which all our corporation financing has been done. This explains the confidence of investors in the security issues that bear our imprint.

Send your name to be added to our Mailing List.

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1871 1921

After Fifty Years' Service

FIFTY years ago The Dominion Bank introduced itself to the Canadian public for the purpose of entering into co-operation with the country's trade and industry.

We now look back with pride on half a century's record of development and expansion, paralleled by a corresponding growth of the interests we have served.

To-day, in offering for your use the same responsive organization and helpful service — now strengthened by greatly enlarged resources — we look forward to a future of increased usefulness.

THE DOMINION BANK

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A. T. Reid

C. A. Bogert, General Manager

W. K. Pearce, Toronto,
F. L. Patton, Winnipeg,
Assistant General Managers

Capital Paid Up $6,000,000 **Reserve Fund $7,000,000**
Total Assets (At 30th Nov., 1920) $136,000,000

ANALYSIS BY MONTHS OF CANADA'S BANKING POSITION

In the following summary will be found an analysis of the monthly statements of the Canadian chartered banks for a year ending with the November figures, which were issued towards the end of December. There are several outstanding features, as will be noted from the final column which gives the changes in the different items over the whole period—individual columns can be used for comparisons month by month.

Particular attention may be directed to the increase of $168,500,000 in current loans and this in spite of the fact that during November and October this item was reduced by nearly $60,000,000. This increase may be set against the increase of $154,000,000 in savings deposits by the public, but this total is reduced to $112,000,000 when the decrease in demand deposits is taken into consideration. Total savings deposits are less than total current loans.

Current loans outside Canada were increased by $20,000,000 as compared with an increase of $92,700,000 in foreign deposits. This would seem to meet the complaint that Canadian funds are used for foreign loans, particularly when it is pointed out that the total of foreign loans at $170,000,000 is less than half the foreign deposits of more than $350,000,000.

Financial relations between banks and the Government were marked by some important developments. Holdings of Canadian short-term Government securities, for instance, were reduced by more than $215,500,000, while holdings of public securities, including British Treasury notes, were cut down by more than $56,500,000. On the other hand, the banks were able to reduce their obligations to the Dominion Government by about $215,000,000 and thus take a very important step in the direction of deflation. The banks now owe the Government $350,000,000 and hold in Government securities nearly $337,000,000.

ASSETS

Immediately Available Liquid Resources

	—1919—		—1920—												
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.		Change in Year
Specie	$ 83,752,653	$ 80,088,103	$ 80,895,502	$ 80,980,212	$ 79,990,836	$ 83,348,497	$ 80,198,600	$ 80,964,285	$ 81,060,510	$ 79,954,831	$ 81,037,676	$ 79,823,476	$ 86,721,023	+	$ 2,968,370
Dom. Notes	178,880,842	172,964,172	181,018,036	182,588,067	184,152,673	181,808,584	172,068,567	173,691,988	171,307,950	168,424,553	173,772,552	178,921,891	190,640,878	+	11,760,036
Gold Res.	126,000,000	125,800,000	103,200,000	104,450,000	108,200,200	108,650,000	108,050,000	100,400,000	99,850,000	103,162,533	109,012,533	119,202,533	114,902,533	—	11,097,467
U.K. Banks	16,969,591	18,355,211	30,867,536	16,241,197	18,807,577	18,494,579	12,706,156	15,044,016	15,613,645	16,552,385	11,922,274	18,131,746	218,183,194	—	2,936,499
Foreign Banks	59,174,502	60,793,846	47,896,551	49,754,123	58,526,306	54,250,752	58,122,711	69,520,893	63,162,932	66,537,548	61,553,748	64,315,169	121,250,951	+	10,029,742
Government Secs.	336,855,869	149,780,058	127,087,135	125,729,366	126,609,453	118,416,840	117,864,456	117,471,598	117,037,931	117,018,957	116,287,730	119,010,967	69,204,244	—	215,604,918
Call Loans Abroad	169,626,880	172,232,161	170,206,805	184,469,882	205,202,133	206,229,451	213,964,182	219,214,431	203,045,209	193,888,245	186,962,960	188,367,459	14,033,092	+	48,556,314
	$ 971,260,337	$ 780,013,551	$ 741,171,565	$ 744,212,847	$ 781,488,968	$ 771,198,702	$ 762,974,672	$ 776,307,211	$ 751,078,177	$ 745,539,052	$ 740,549,443	$ 767,773,241	$ 814,935,915	—	$156,324,422
Loans and Securities Other Than Those of Canadian Government															
Public Sec.	$ 253,341,708	$ 255,239,781	$ 249,413,578	$ 234,608,866	$ 223,709,931	$ 214,768,123	$ 205,129,314	$ 206,534,550	$ 202,471,301	$ 201,647,011	$ 202,349,860	$ 201,447,094	$ 196,671,950	—	$ 56,669,758
Rly. Secs.	54,327,528	54,957,659	51,548,307	50,605,825	50,969,557	50,778,055	47,988,462	46,785,603	45,738,394	44,778,724	46,613,366	47,023,401	47,050,105	—	7,277,423
Can. Call	121,754,469	125,888,760	132,015,334	127,251,919	128,233,310	125,644,859	119,114,493	115,272,587	115,360,894	113,598,923	114,669,611	113,135,902	108,471,340	—	13,283,129
Current	1,189,408,523	1,207,109,046	1,226,962,963	1,257,015,902	1,322,267,030	1,347,238,230	1,349,079,981	1,365,151,083	1,377,276,853	1,385,470,153	1,417,520,756	1,405,401,227	1,357,973,118	+	168,564,595
Loans Abroad	149,302,293	168,954,696	182,533,124	180,711,238	183,642,658	185,085,020	183,986,222	184,328,464	190,914,052	200,945,241	202,590,184	193,749,657	169,677,657	+	20,375,364
Prov. Loans	13,815,103	15,187,626	11,271,190	13,090,090	13,585,217	18,768,268	16,887,396	15,773,409	14,994,799	12,314,726	13,183,317	14,361,485	10,571,815	—	3,243,288
Municipal	52,703,363	42,635,290	46,147,388	52,690,790	62,992,675	72,281,019	73,904,635	76,410,676	78,792,822	79,912,041	78,103,364	71,374,060	65,487,171	+	12,783,808
	$1,834,652,987	$1,869,972,858	$1,899,891,884	$1,915,974,630	$1,985,400,378	$2,014,563,574	$1,996,090,503	$2,010,256,372	$2,025,549,115	$2,038,666,820	$2,075,030,458	$2,046,492,826	$1,955,903,156	+	$121,250,169
Other Assets															
Overdue Debts	$ 4,061,086	$ 4,527,796	$ 4,846,641	$ 4,616,557	$ 4,083,465	$ 4,056,025	$ 3,448,103	$ 4,354,418	$ 4,816,746	$ 5,337,504	$ 5,633,073	$ 6,637,619	$ 4,961,520	+	$ 900,434
Real Estate	5,586,078	5,596,930	5,545,766	5,611,570	5,482,719	4,876,459	4,910,297	4,786,140	4,625,775	4,435,256	4,353,651	4,142,987	4,282,681	—	1,303,397
Mortgages	2,405,619	2,505,401	2,608,622	2,615,018	2,583,361	2,671,132	2,662,484	2,726,360	2,655,462	2,727,545	2,714,752	2,825,245	2,693,896	+	288,277
Premises	55,518,536	53,944,018	56,500,332	57,207,547	57,946,975	55,317,655	56,459,647	57,192,011	57,896,005	58,554,076	59,297,890	60,125,795	60,467,669	+	4,949,131
Lets. of Credit	50,485,107	51,189,148	47,967,989	46,900,376	42,939,486	48,794,009	50,828,266	45,470,631	43,261,195	42,754,911	43,589,081	47,635,099	48,763,093	—	1,722,014
Other Assets	3,103,456	3,582,918	3,005,109	3,205,858	3,326,004	3,003,683	3,024,890	3,153,321	2,888,156	3,032,833	3,557,370	3,123,071	3,121,701	+	18,245
	$ 121,159,882	$ 121,346,211	$ 120,474,459	$ 120,156,926	$ 116,362,010	$ 118,718,963	$ 121,333,687	$ 117,682,881	$ 116,143,339	$ 116,842,125	$ 119,145,817	$ 124,489,816	$ 124,290,560	+	$ 3,130,678
Total	$2,927,073,206	$2,771,332,620	$2,761,537,908	$2,780,344,403	$2,883,251,356	$2,904,481,239	$2,880,398,862	$2,904,246,464	$2,892,770,631	$2,901,047,997	$2,934,725,718	$2,938,755,883	$2,895,129,631	—	$ 31,943,575
Note Cir. Dep.	5,942,673	5,946,589	5,949,430	5,949,430	5,953,205	5,956,078	5,956,029	5,997,526	6,252,442	6,277,393	6,291,146	6,293,982	6,293,933	+	351,260
Int. Bk. Bal.	167,122,760	188,094,466	144,366,510	146,203,556	172,621,913	173,100,347	194,327,909	181,430,521	167,838,358	163,854,437	198,997,905	210,551,703	215,472,787	+	48,350,027
Gross	$3,100,138,639	$2,965,373,675	$2,911,853,848	$2,932,497,389	$3,061,826,474	$3,083,537,664	$3,080,682,800	$3,091,674,511	$3,066,861,431	$3,071,179,827	$3,140,014,769	$3,155,601,568	$3,116,896,351	+	$ 16,757,712
LIABILITIES TO THE PUBLIC															
Liability to Governments and Circulation															
Circulation	$ 237,547,162	$ 232,486,734	$ 216,691,916	$ 223,377,781	$ 225,769,628	$ 223,387,731	$ 226,335,037	$ 227,775,253	$ 231,534,233	$ 227,373,864	$ 231,094,885	$ 249,165,707	$ 234,339,923	—	$ 3,207,239
Dom. Govt.	350,381,389	224,926,921	224,597,564	217,059,832	262,340,599	261,044,151	216,098,321	183,913,852	170,190,302	153,359,936	156,410,480	160,129,252	136,192,726	—	214,188,663
Prov. Govt.	17,625,464	19,032,841	20,276,072	19,864,020	17,827,892	19,178,187	20,691,300	23,955,524	26,344,597	25,057,401	20,933,968	24,942,898	18,534,080	+	908,616
Deposits by Public															
Dem. Deposits	728,657,589	703,392,204	621,408,024	620,069,555	657,412,028	652,918,760	645,957,229	659,622,583	639,415,025	640,361,707	677,286,905	687,651,781	686,754,094	—	41,903,495
Savings Dep.	1,137,858,277	1,138,086,691	1,163,297,037	1,187,027,307	1,197,719,570	1,209,573,990	1,229,073,515	1,243,700,977	1,253,170,443	1,261,647,732	1,270,194,097	1,271,275,751	1,292,009,008	+	154,150,731
Total	$1,866,515,866	$1,841,478,895	$1,784,705,061	$1,807,096,862	$1,855,131,598	$1,862,492,750	$1,875,030,744	$1,903,323,560	$1,892,585,468	$1,902,009,439	$1,947,481,002	$1,958,927,532	$1,978,763,102	+	$112,247,236
Foreign	259,047,187	275,342,645	285,203,939	277,478,631	318,277,881	327,235,197	345,095,475	360,358,386	348,008,545	356,570,176	355,238,992	339,955,233	351,780,924	+	92,733,737
Due to Banks Abroad, etc.															
U. Kingdom	$ 5,671,791	$ 5,487,097	$ 7,923,292	$ 7,766,201	$ 8,015,129	$ 9,059,641	$ 9,534,525	$ 6,792,662	$ 6,837,914	$ 6,410,429	$ 6,656,574	$ 6,317,327	$ 5,475,760	—	$ 196,031
Foreign	29,202,726	33,913,339	37,609,232	40,777,862	38,766,460	38,019,645	37,076,433	37,168,379	38,104,212	42,631,004	57,010,817	52,961,133	35,220,324	+	6,017,598
Bills Payable	6,679,258	6,381,591	8,287,736	7,521,364	7,558,246	6,977,077	6,047,677	6,272,311	6,334,956	8,447,134	10,659,667	9,548,818	9,796,509	+	3,117,251
Acceptances	50,485,107	51,188,148	47,865,601	46,900,376	42,939,486	48,794,009	50,828,266	45,470,631	43,261,195	42,754,911	43,589,081	47,635,099	48,763,093	—	1,722,014
Other Liab.	4,256,485	3,008,548	2,377,188	3,910,062	2,897,275	3,944,563	5,048,016	3,873,156	3,313,414	4,061,311	3,500,116	3,556,166	4,705,644	+	449,159
Public Liab.	$2,827,412,435	$2,693,246,759	$2,635,537,601	$2,651,752,991	$2,779,524,194	$2,800,132,957	$2,791,785,794	$2,798,903,714	$2,766,514,836	$2,768,675,605	$2,832,575,582	$2,853,139,165	$2,823,572,085	—	$ 3,840,350
Due Bet. Banks	11,819,754	13,469,159	8,855,237	10,579,357	9,730,536	11,301,198	11,691,483	12,255,058	12,199,695	9,554,379	14,850,634	15,377,031	12,006,703	+	186,949
Gross	$2,839,232,189	$2,706,715,918	$2,644,392,838	$2,662,332,348	$2,789,254,730	$2,811,434,155	$2,803,477,277	$2,811,158,772	$2,778,714,531	$2,778,229,984	$2,847,426,216	$2,868,516,196	$2,835,578,788	—	$ 3,653,401

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PRICE DECLINE HAS AFFECTED THE FARMERS

Big Contraction in Value of Farm Products of 1920

INDUSTRY IS SOUND

Outlook is Regarded as Hopeful Despite Problems of Making Adjustments to a New Basis

By F. M. CHAPMAN,
Editor, "Farmers' Magazine."

Canada has had a good field crop year as far as total yields go. Real failures of crops occurred in no part of the Dominion. Prices, though, have, in common with commodities, taken a tumble and in many cases of farm products, the drop has been demoralizing. In fact, price lines will show during the whole history of war prices that farm products rose in price a little faster and began to fall considerably faster than did manufactured goods.

Western farmers found the wheat declines a hard pill to swallow. They claim that speculators sold so much of the crop as futures on a high December market and depressed prices in order to secure the wheat from the farms at the lower figures. And they argue that had the Wheat Board continued its work until the bulk of this year's crop had been handled the farmers would have had upwards of fifty millions more to send into circulation.

Eastern farmers, by reason of their mixed farming, have not been so hard hit, although prices have reduced their anticipated outputs by fully one-third. A considerable holding of products has resulted and this may allow a better distribution and enable better payments to return to the farms. Wheat, flax, sugar beets and tobacco, as cash crops, have put money into farmers' hands. But much wool is held and no bids are being made, and the new crop is coming on. Hides are low in price. Grain prices have all tumbled, oats being down below the 60 cent mark. Livestock feeding is also in a very unsettled state. Self-feeding, with dear hay and uncertain returns, is having some hard sledding, while the present status of bacon control in Great Britain is rendering a resumption of hog raising in the spring rather a doubtful problem. Sheep are so low that a reflex action in the industry ought to soon be in evidence. Poultry products appear to be on the best basis for future trading, although careless packing and shipping of our overseas trade has already been complained of. Canadian eggs have a splendid reputation abroad, and our federal departments are doing all they can to maintain the points gained. Canadian consumers have been importing eggs from the Antipodes. Dairy products too have maintained fair prices and the outlook, while not the brightest, has no serious setback in sight.

Vegetable growers have been hit hard, as prices for potatoes, cabbage and other such products have been at a very low ebb. The high prices for seed prices last spring, with the high wages, has taken any chance away from big net returns in these lines.

Looking to the Future

Yet the agricultural outlook is not without hopeful signs for a good year in 1921. It is true that fall ploughing was not done so well as usual and there has been a six per cent. decline in fall wheat acreages. Also the proposed U. S. tariff tinkerings and the consequent limiting of our markets makes the future of a doubtful nature.

On the other hand, labor is going to be easier to get and wages will fall some in correspondence with the drop in living prices. The farmers have been neglecting building operations for some time and with a readjustment of hardware, cement and steel prices, it will not take much urging for them to begin to "fix things up." This will result in better trade in building materials, paints, oils and machinery.

Farm finances are in good shape, for farmers have not been extravagant during the fat years. They have paid off mortgages, made industrial investments, dealt widely in Victory bonds, and otherwise placed themselves in a better position for future operations than they were formerly. And such a solid rural element means much for the stability of the country's business. Agricultural buying of capital commodities, with a return to lower prices, will doubtless be a feature of this year.

Undoubtedly the sowings to spring crops will show considerable contraction and with the high prices for hay, a larger holding of old meadows than usual. The success of sweet clover as a pasture crop and the demand for alfalfa will tend to the encouragement of larger seedings this spring, all seed prices being low.

Perhaps there never was a clearer instance of the state of agricultural finances acting as a business barometer than in the present instance. How intimately dependent the whole industrial fabric is on the prices the farmer gets for produce must be patent to all. Business never abounds with low price records for staple farm commodities, where, as in Canada, there is a large exportable surplus.

In the Political Arena

Continued from page 17.

Temiskaming, Kamouraska, St. James, Colchester, St. John, Quebec East, Yale-Cariboo, East Elgin. The result in the Quebec constituencies was about as expected, Liberals being elected in all cases. The real fighting developed against the Farmers, the Liberals being put in a rather bad tactical position in nearly every instance. There were Farmer candidates running in three of the above mentioned contests, and they won two out of the three. This may be qualified slightly by stating that in Temiscaming the winner ran on a Farmer-Labor ticket, and the loser in Yale-Cariboo had the endorsation of Liberals, Farmers, Soldiers and Laborites, although he actually ran as an Independent.

A feature of all elections conducted throughout the year, not only Federal but Provincial, has been the demonstration of the fact that the returned soldier is not a factor in politics, contrary to the general expectation during the war.

In both the West and the East the Farmers demonstrated their growing strength in constituencies other than those strictly urban. The result in East Elgin, in particular, cannot be looked on in any other light than as a pretty severe set-back to the government, and a distinct triumph for the Farmers. The coming election in West Peterborough will be an intensely important one, because of the fact that if the government should be defeated, it might have to go the length of appealing to the country in a general election.

Farmers Are Independent

If the course of political events has not been notably satisfactory to the government, it certainly has not been any more so to the Liberal party. There appear to be no signs of that union of forces on the part of the Liberals and Farmers which had been more or less commonly expected, and probably looked forward to by both Mr. King and Mr. Crerar. The strength which the Farmers have developed appears to have rendered them adverse from engaging in any "entangling alliances." They apparently feel that the policy of the Liberals is little, if any, nearer to their ideals than that which Premier Meighen expounded so frankly during his western tour. It is unlikely that the Farmers expect to have a majority in the House after the next general election, but they feel—perhaps not mistakenly—that they will hold the balance of power between the two old parties, should neither one come back with a clear majority.

Personally, Premier Meighen has notably strengthened himself as a result of the speaking tours he has engaged in since assuming the leadership of the government. He carried the gospel of moderate protection east and west, and certainly inspired confidence by the straightforward manner in which he presented the policy of the government. In this he probably showed more wisdom than Hon. Mr. King, who was obliged to interpret the policy of his party with certain shading depending upon the part of the country in which he was speaking.

New Alliances

The result of the similarity in certain respects—or at least a suspected similarity—between the platforms of the government and the opposition leads us to a consideration of the position of the Blue and Red "Old Guards." There must be many of the old-time Liberals who find themselves today much more in sympathy with Mr. Crerar than with Mr. King as leader, and who will be inclined to give their support to the Farmers' party. Then there are old Tory die-hards, whose attitude is represented by the Hon. Robert Rogers in the following interview he gave during the year in Toronto: "The Conservative party stands today where it always stood. It has never failed Canada, and will not fail to save it from the danger of the position in which it stands at the parting of many ways. What we want in Canada today is not less politics, but more politics. The day is at hand when Liberal-Conservatives in all parts of Canada will consecrate anew in the hearts and minds of the vast majority of the plain people the National Policy." The Liberals, however, stand to lose more than the government from these by-alignments, the party being practically wiped out in the prairie provinces by the new movement. The present outlook is that about the only fighting ground left to the two old parties in that territory is in the few city constituencies. The incidence of the redistribution of the electoral divisions, which will probably take place as soon as possible after the census, will be unfavorable to the Farmers' party. At the present time the urban districts are much under-represented.

Little Free Trade Talk

Much interest centred in the peregrinations of the members of the cabinet, who went from coast to coast conducting the tariff investigation promised by Sir Thomas White when Minister of Finance two years ago. While an enormous mass of evidence was taken, and the ministers performed their task with great faithfulness, the press reports do not indicate that there is any vital change in the situation since the previous enquiry was held under the Laurier administration. There is, however, some change in the attitude of the respective protagonists of tariff sentiment. The low tariff party has become more coherent and better organized. It still insists that the principle of protection is wrong, and suggests that the fiscal policy of the future should aim at a tariff on a strictly revenue basis; but there is very little purely free trade talk, except free trade with the Mother Country as an ideal to be aimed at. While the farmers of the west have set the time for this as five years after putting their policy into operation, those of Ontario are inclined to be less definite. Both acknowledge Hon. Mr. Crerar as their leader, and Mr. Crerar preaches the gospel of Free Trade; but Mr. Drury is rapidly coming to be looked on as the real leader of the agrarian movement in Canada, and Mr. Drury is inclined to broaden the movement and narrow the platform.

On the other hand, the sentiment expressed both at the tariff inquiry and elsewhere throughout the country leads to the belief that much of the old Bourbon attitude on the part of the protectionists is disappearing. There is no reason to doubt the sincerity of the leader of the government when he expresses himself as being in favor of only "moderate protection," a phrase which may be indefinite but is less so than the "adequate" protection of the late leader of the government, Sir Robert Borden. The Minister of Finance, too, might fairly be described as a moderate protectionist—and it would be no injustice to the leader of the Opposition to designate him in the same manner. It remains to be seen, when the next budget is presented to Parliament, just how the phrase has been interpreted, and whether anything approaching the spirit of the old National Policy is still "consecrated in the hearts" of the government. The evidence does not point in that direction.

Farmers Coming Strong

Summing up, the outstanding feature of the political world during the year may fairly be said to have been the continued increase in strength of the Farmers' movement. We were told in the House and in portions of the press during the early part of the year that the movement had reached and passed its peak; but it is very doubtful if a dispassionate observer like Premier Meighen would contend this. The by-elections in the west, in Ontario and in portions of the Maritime Provinces show no indication of an ebbing tide. The only opportunity the country has had of seeing a Farmer government in operation has been in Ontario, and it may fairly be said that, up to the present, the experiment there has strengthened the movement in the eyes of the country, whatever may happen in the future. If a general election were held in Canada to-day the Farmers might not come back with the 110 representatives in Parliament which some of them predict as a minimum, but they would certainly be an immensely strong factor in the House.

The danger from the agrarian movement to established business interests throughout the country has probably been exaggerated. The Drury government cannot be said to have been unduly radical thus far, and much of the loose sentiment emanating from certain of the Farmer leaders and their supporters in the press and on the platform may be heavily discounted. Responsibility sobers every man, even a politician, and the indications that the agrarian is not practical experience of office modifies a "platform." Already there are unimpressed with the vital necessity of maintaining stability in the affairs of the country, as much for the sake of the farmer as for any other business man.

Less political recrimination and a fair and plain exposition of the interdependence of all interests in Canada, such as Premier Meighen has given to the country during the past few months, produces a much more stabilizing effect than long-range firing between farmers and manufacturers across the continent. The old-line parties, with their petty political quarrels, have tended to unsettle the farmer and to build up the third party as a result of loss of confidence in the ideals and performances of Government and Opposition as we have known them.

Although the Opposition leader has been appealing for a general election, there does not appear to be any such desire on the part of the people in general, particularly when the country would seem to be on the verge of a period of business uncertainty. It is doubtful, indeed, if Liberals or Farmers have any real desire to take over the extremely onerous and thankless task of government under the conditions which now prevail. The present government is likely to carry on until the end of its term in as careful and unadventuresome a manner as possible.

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PRICE RECORD OF CANADIAN STOCKS FROM 1913 to 1920

Quotations of Montreal and Toronto Stock Exchanges. Banks' and Loan Companies' Stock Prices on Page 31

	Range for 1920				Range for 1919				Range for 1918				Range for 1917.				Range for 1916.				Range for 1915.				Range for 1914		Range for 1913	
Stock.	High	Date	Low	Date	High	Date	Low	Date	High	Date	Low	Date	High	Date	Low	Date	High	Date	Low	Date	High	Date	Low	Date	High	Low	High	Low
Abitibi Power & Pulp, com.	87	Aug.	49½	Dec.	290	Dec.	48	Jan.	51½	Oct.	48	Apr.	58½	July	48	Nov.	...	....	...	....	...	....	...	....	...	...	...	...
Abitibi Power & Pulp, pref.	99	July	85	Dec.	110	Sep.	90	Jan.	90	Dec.	90	Dec.	90	Aug	88½	Sep.	...	....	...	....	...	....	...	....	...	...	...	...
Asbestos Corp., com.	103	Oct.	64	Dec.	91¼	Oct.	44	Jan.	45	Dec.	15	Jan.	21	Jan.	12	Apr.	24	Dec.	23	Dec.	...	....	...	....	...	...	...	...
Asbestos Corp., pref.	108	Oct.	83	Dec.	103	Nov.	61¾	Jan.	62¾	Dec.	44¾	May	53	Jan.	42	June	60	Dec.	53	Dec.	...	....	...	....	...	...	...	...
Ames-Holden, com.	137½	Jan.	10	Dec.	130	Dec.	26	Jan.	28	Aug.	15	Apr.	23½	Jan.	12	Oct.	35	June	19½	July	23	Nov.	†7⅞	April	16	6	15	9½
Ames Holden, pref.	114¾	Jan.	27	Dec.	116¼	Oct.	65⅝	Jan.	72½	Aug.	47	Jan.	61	Jan.	47	Nov.	80½	June	52	July	75	Nov.	55	Jan.	70¼	54	74	67½
Atlantic Sugar, com.	164	July	16	Nov.	75½	Dec.	19	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Atlantic Sugar, pref.	184	July	24½	Dec.	123	Nov.	65	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Amer. Cyanamid, com.	36	Apr.	33	Aug.	47	July	38	July	35⅞	Mar.	21	Jan.	30	Jan.	19	Sep.	...	....	...	....	...	....	...	....	...	...	...	...
Amer. Cyanamid, pref.	65	Sep.	62	Apr.	...	....	...	....	69¾	Oct.	69¾	Mar.	55	Jan.	50	Feb.	...	....	...	....	...	....	...	....	...	...	...	...
Amer. Salesbook, com.	7½	Nov.	5	July	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Amer. Salesbook, pref.	83½	Aug.	70	Dec.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Barcelona, com.	9¾	Jan.	3¼	Dec.	13¼	Jan.	5¾	Dec.	15½	Nov.	8¾	Jan.	17	Jan.	8	Nov.	17	Aug.	9	Jan.	17⅞	Jan.	†7⅞	Jan.	35⅛	15	41	25⅛
Bell Telephone	111¼	Jan.	100	Dec.	133	May	110	Dec.	132½	Feb.	128	Jan.	150	Feb.	129	Oct.	152	June	140	Aug.	159	Nov.	140	Jan.	159¼	143	173	138
Brazilian, com.	51¼	Jan.	28	Dec.	61	Jul.	50	Feb.	60¼	Nov.	32	Jan.	47¾	Jan.	31¾	Oct.	62⅝	May	43	Dec.	59¾	April	45	Aug.	92	53½	101	80¼
B. C. Fishing & Packing	66	Jan.	34¼	Dec.	71	Oct.	46	Mar.	52½	Aug.	40	Jan.	56	Feb.	35	Oct.	67	April	58	Oct.	65	....	57½	....	...	...	...	...
Burt, F. N., com.	110	Jan.	88	Aug.	112⅛	Oct.	71	Jan.	67	May	63⅛	Dec.	82	Feb.	65	Sept.	88	Dec.	72	Jan.	70	Nov.	70	Nov.	88	65	‡101	64
Burt, F. N., pref.	110	Jan.	90	July	110⅛	Oct.	90	Jan.	90	Dec.	84¼	Jan.	93½	Mar.	86	Nov.	96	Sept.	86	Dec.	94	Dec.	89	Jan.	100	89	106	‡89⅞
Brompton Pulp & Paper	85	Sep.	42¼	Dec.	87	Dec.	55	Apr.	63¼	Oct.	41⅜	Jan.	58¼	Mar.	38	Oct.	79	Nov.	43	Dec.	...	....	...	....	...	...	...	...
Canada Bread, com.	32½	Jan.	19	Dec.	33	Nov.	18	Feb.	24½	Dec.	16	Jan.	20	Dec.	13	Nov.	30	Jan.	16½	Dec.	31⅛	April	29	Jan.	33	18½	34¾	17½
Canada Bread, pref.	86½	Feb.	84	June	87	Dec.	78¼	Sept.	83¾	Apr.	83¼	Mar.	86½	Jan.	80	Oct.	90	Jan.	87	May	...	....	*90	....	...	...	...	...
Canada Cement, com.	75	Jan.	54¼	Nov.	74	Oct.	63	Feb.	69⅝	Nov.	56½	Jan.	69⅞	Jan.	52	Nov.	73	June	37¾	Jan.	48½	Nov.	28	Jan.	32	28	36	25¾
Canada Cement, pref.	100	Jan.	88½	Dec.	103¾	Sept.	95	Jan.	96	Dec.	90	Feb.	95¾	Jan.	90	Feb.	98	May	86	Sept.	98½	Nov.	89¾	Jan.	93	88	94½	88
Canada Steamships, com.	80¼	Jan.	34	Dec.	81	Dec.	41½	Feb.	51	Dec.	39	May	45⅝	Aug.	29¾	Feb.	45	Dec.	14	Jan.	20	Nov.	†6	Mar.	18	9¾	...	...
Canada Steamships, pref.	85	Mar.	60½	Dec.	87½	June	77	Feb.	80¼	Dec.	72½	Jan.	93¾	Jan.	71	Nov.	95½	Dec.	69¾	Jan.	76	Nov.	59	Mar.	76	59	...	...
Can. Car and Foundry, com	74	Jan.	29	Nov.	72½	Dec.	28	Jan.	38¼	Aug.	18	Jan.	46½	Jan.	17	Oct.	75	Jan.	32	Dec.	120	Aug.	50	April	70	48	83½	56
Can. Car and Foundry, pre	109	Jan.	67	Dec.	108½	Dec.	82	Jan.	91	Aug.	49½	Jan.	89	Jan.	49	Oct.	94	May	61¾	Jan.	127	Aug.	98	April	109½	98	118	104½
Can. Con. Rubber, com.	100	Mar.	87¾	Dec.	150	July	...	....	100	Mar.	98	Dec.	99¾	Sept.	90	Mar.	99	April	34	June	91	Aug.	91	Aug.	91	91	‡83	80
Can. Con. Rubber, pref.	95	May	92	May	100	July	97	Feb.	98	Sept	97	Feb.	99¼	Nov.	95	Mar.	97	Mar.	91	Mar.	101	Nov.	100	Nov.	97	96½	98	‡95
Can. Converters	80	July	51	Dec.	71½	Nov.	45	Feb.	50	Sept	43	Mar.	43	July	39	Feb.	46	Nov.	34	Jan.	34	Jan.	34	Jan.	40	34	50	39
Canadian Cottons, com.	100	July	71	Dec.	98	Nov.	67	Feb.	70	Aug.	48½	Jan.	56	Jan.	46½	Sept.	65	Oct.	39	Feb.	40	Nov.	24	Jan.	39	24	45	31
Canadian Cottons, pref.	83	Jan.	66	Dec.	87¾	Apr.	76	Jan.	77	July	75	July	82	Jan.	75	Sept.	82½	Nov.	75½	Jan.	77	Dec.	71	Jan.	79	70¼	82	*72
Carriage Factories, com.	49½	Jan.	7½	Dec.	33	Oct.	13	June	17	July	15	July	25	Jan.	9¼	June	44	July	29¾	Feb.	55	Nov.	35	Jan.	92	92	‡94	‡94
Carriage Factories, pref.	90½	Feb.	72¼	Jan.	80	Dec.	46	July	...	....	...	....	...	....	...	....	75	July	60	Dec.	81	Oct.	65	Oct.	...	...	...	...
Can. Fairbanks-Morse, pref.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	95	Jan.	...	....	...	...	...	...
Can. Forgings	257	Feb.	75	Dec.	208	July	175	Nov.	213	Sept.	150	Feb.	205	Jan.	150	Mar.	217	Jan.	170	Feb.	243	Dec.	90¼	Jan.	114⅞	90¼	116¾	101
Can. Forgings, pref.	92	May	91	Mar.	92	Oct.	89½	Feb.	97	Nov.	90	Sept	84	May	82	April	90	Nov.	85	May	...	....	110	Oct.	...	...	...	...
Can. General Electric, com.	109	Mar.	90¾	Dec.	116	May	101½	Mar.	106	Dec.	99½	Jan.	115½	Jan.	99½	Dec.	126	Nov.	108	April	128	Oct.	30	April	45	30	70	40
Can. General Electric, pref.	104	Feb.	90	Dec.	100	Dec.	99½	Nov.	110	Dec.	100	Apr.	106	Feb.	94½	Jan.	112	May	110	Aug.	110½	Nov.	78	Feb.	90½	78	95	86
Can. Locomotive, com.	100	Mar.	80	Dec.	105¾	Oct.	60	Feb.	69⅛	Sept	58	Jan.	64	Apr.	52⅛	Feb.	64½	June	51	Oct.	64½	Dec.	139¾	July	219⅝	156	266½	204½
Can. Locomotive, pref.	95	Jan.	80	Nov.	97½	Oct.	89½	Apr.	90½	Sept	83	Feb.	91½	Apr.	83	Oct.	99	Sept.	81	April	90	Dec.	*110	....	115	115	125	113
Canadian Pacific Ry.	142	Oct.	125	Sep.	175	July	160	Jan.	173	Aug.	137¾	Jan.	167½	July	127¾	Dec.	182½	May	163¾	Dec.	195½	Nov.	35½	Aug.	...	...	...	...
Canadian Salt	147	Mar.	85	July	147	July	135	July	132	Dec.	126	Mar.	136	Mar.	128	Mar.	140	Nov.	124	Nov.	...	....	75	Aug.	...	...	...	...
City Dairy, com.	62	Jan.	50	Oct.	62½	May	48	Jan.	50	Oct.	30	Mar.	30	Mar.	30	Mar.	98	Jan.	89	May	100	Jan.	98	Jan.	102	98	104	49
City Dairy, pref.	99	Jan.	85	Dec.	95	Aug.	84	Feb.	85	May	60	Feb	70	Apr.	60	Aug.	100½	Feb.	92	Dec.	102	Sept.	98	April	101¾	98	104	‡97
Confederation Life	310	Aug.	300	Sep.	...	....	...	....	...	....	...	....	...	....	...	....	330	Nov.	...	....	...	....	*350	....	385	385	380	380
Coniagas Mines	3.15	Jan.	1.75	Dec.	3.15	Dec.	1.51	May	3.70	Nov.	2.50	July	4.70	Jan.	3.30	Nov.	5.95	Nov.	3.90	Nov.	5.60	Jan.	3.55	Nov.	850	600	‡95	650
Consumers' Gas	150	Feb.	125	Oct.	152	Feb.	138	Oct.	153	Oct.	144½	Mar.	165½	May	147	Oct.	176	Jan.	160	Nov.	185	Aug.	176	Jan.	180	169	‡191	165
Crown Reserve	48	Jan.	15½	Dec.	60	Feb.	30	Aug.	32	Dec.	17	May	43	Jan.	21	Dec.	58	Nov.	39½	Nov.	1.18	Jan.	.32	Aug.	195	100	411	145
Crow's Nest Pass	59⅞	Jan.	40	Dec.	65	Nov.	49½	Oct.	55	Dec.	50	July	70	Mar.	50	May	83	Nov.	71	Nov.	...	....	*50	....	70	500	62	50
Detroit United	113¾	Jan.	79¼	Dec.	113	Nov.	94	May	...	....	...	....	128	Jan.	104¾	Oct.	128½	Dec.	69	Jan.	73	Dec.	62	Mar.	73¾	55	81	62¾
Dominion Bridge Co.	115	Jan.	69	Nov.	123	Jan.	94	Aug.	128	Sept	123	May	170	Jan.	125	June	231½	Jan.	160	Dec.	237	Nov.	107	April	122½	108	125	110
Dominion Canners, com.	66¼	Mar.	26	Dec.	65½	Oct.	34	Mar.	43	May	20	Mar.	26	Mar.	19	Jan.	22	Nov.	15	Sept.	35	Jan.	31	Feb.	68⅝	27½	87	59
Dominion Canners, pref.	90	Jan.	79	Nov.	92	June	76	Jan.	81	Mar.	65	May	78	Feb.	65	Oct.	65	Dec.	61½	Nov.	...	....	*85	....	96	80	102½	89¾
Dominion Glass, com.	69¾	Jan.	57	Dec.	73½	Oct.	44½	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	*120	....	...	...	130	130
Dominion Glass, pref.	91	Jan.	82¼	Nov.	94	Oct.	88¾	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
National Steel Car, com.	12	Jan.	3	Dec.	16	Feb.	4	Nov.	10½	Mar.	5	Dec.	21	Jan.	5	Sept.	40	Jan.	25	Aug.	...	....	...	....	...	...	...	...
National Steel Car, pref.	41½	Mar.	21	Dec.	59	Mar.	18	Jan.	40	Sept.	20	Jan.	78	Jan.	17	Oct.	94	Feb.	80	Oct.	...	....	...	....	...	...	...	...
Dominion Park	...	....	...	....	100	June	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Dominion Telegraph	91¾	Feb.	80	Dec.	90¾	Dec.	85	Mar.	...	....	...	....	90	Jan.	89	Feb.	90	Nov.	86	Nov.	...	....	*100	....	102½	99⅛	103	95
Dominion Textile, com.	146½	July	96½	Dec.	125⅞	July	100	Feb.	100½	Dec.	80¾	Jan.	89	May	76½	Feb.	90½	Oct.	74½	Jan.	77	Oct.	64	Jan.	86⅝	60	189½	76½
Dominion Textile, pref.	105	July	89	Dec.	108	Mar.	101	Jan.	102	Sept	100	Jan.	105	Apr.	99½	July	105	Sept.	101	Jan.	103	June	101	Feb.	106½	100	105	99
Dominion Steel Corporation	82½	Mar.	39	Dec.	75¼	Dec.	58¾	Feb.	65	Aug.	53	Jan.	71¼	Jan.	50¾	Dec.	82	Dec.	43	Feb.	51	Nov.	19⅞	Jan.	41⅞	19⅞	59	39½
Dominion Coal, pref.	97½	Jan.	70	Dec.	100	June	95	May	95	June	94¼	Jan.	96½	Jan.	85	July	99	Jan.	93	July	99½	Dec.	98	April	106	97⅛	112	103
Dominion Iron & Steel, pr	92	Jan.	65	Dec.	100	May	91	Sept.	98	Sept.	88	Jan.	95	Jan.	87½	Oct.	105	June	90	June	95	Aug.	71	Jan.	94	68	103	86
Duluth-Superior	28	Jan.	12	Sep.	32½	Oct.	27⅞	Dec.	42	Jan.	41	Jan.	51	Feb.	40	Aug.	49	June	37	Dec.	60	Jan.	55	Jan.	67	55	74	55
Electrical Development, pre	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	85½	75
Ford Motor Car	380	Oct.	310	Nov.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Goodwin's, Limited, com.	35	Apr.	26	Mar.	28	Dec.	10	Feb.	15	Sept	11	Sept	...	....	...	....	40	July	40	July	28	Jan.	26	Mar.	28	23	44	25
Goodwins, Limited, pref.	95	Apr.	75	Oct.	80	Dec.	45	Jan.	45	Dec.	45	Dec.	45	Mar.	45	Mar.	75	May	40	July	...	....	*75	....	82	74	84	75½
Gould Mfg. Co., com.	118½	Dec.	118½	Dec.	...	....	...	....	100	Dec.	100	Dec.	100	Apr.	100	Apr.	...	....	...	....	...	....	*90	....	97¾	97¾	100¼	100¼
Gould Mfg. Co., pref.	100	Mar.	100	Sep.	...	....	...	....	100	Aug.	100	Aug.	100	Oct.	100	Oct.	...	....	...	....	...	....	*90	....	...	...	102	100
Holt, Renfrew, com.	70	Jan.	62	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Holt, Renfrew, pref.	85	Jan.	80	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Hillcrest Collieries, com.	63	Jan.	55	May	65	Dec.	35	Jan.	40	Sept	15	May	15	June	14¾	May	...	....	...	....	...	....	*24	....	45	21	47¾	25
Hillcrest Collieries, pref.	...	....	...	....	83	Nov.	75	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	70	April	70	April	88¼	70	91½	80
Hollinger Gold Mine	...	....	...	....	7.65	May	6.15	Jan.	6.35	Dec.	4.55	July	5.25	Sept.	3.40	June	30.25	Nov.	25.25	Nov.	29.50	Dec.	17.85	Jan.	192	1525	19.00	14.50
Illinois Traction, pref.	70	Jan.	64	Nov.	80	Feb.	67	Nov.	80	Jan.	80	Jan.	89	Feb.	79	Oct.	91	Jan.	87¾	Oct.	93	Jan.	91	Jan.	95	90	93½	87
Imperial Life	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	149	149
Inter-Petroleum	82	Mar.	20	Oct.	62.00	Dec.	19.25	Jan.	20.50	Dec.	13.00	Feb.	15.30	Mar.	11.60	Feb.	...	....	...	....	...	....	...	....	...	...	...	...
Intercolonial Coal, pref.	...	....	...	....	60	Mar.	58	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Kaministiquia Power	97	Aug.	83½	Mar.	...	....	...	....	120	Sept	120	Sept	...	....	...	....	...	....	...	....	...	....	*121	....	...	...	119¼	119¼
Lake Superior Corporation	...	....	...	....	...	....	...	....	...	....	...	....	24	Mar.	10¼	Nov.	...	....	...	....	9⅞	Aug.	†9⅞	Aug.	22⅝	16⅝	22¾	21¾
Lake of Woods, com.	220	July	130	Nov.	229⅛	Nov.	157	Mar.	169	Dec.	120⅛	Jan.	130	Jan.	120	Oct.	136½	Sept.	122	Sept.	137	May	129	Jan.	135	127	147¾	121½
Lake of Woods, pref.	112	Aug.	93½	Dec.	110	Nov.	106	Jan.	110	Apr.	100	May	116	Jan.	116	Jan.	129	July	116	Oct.	122	May	120	Mar.	120	120	‡121	115
La Rose Con. Mines Co.	53½	Mar.	25	Dec.	51	Dec.	30	Apr.	68	Mar.	29	Jan.	57	Sept.	40	June	90	Nov.	55	Nov.	37	Jan.	15	Aug.	196	70	320	172
Laurentide Company	125	July	81	Dec.	276	Dec.	192	Jan.	198	Dec.	152	Jan.	195	Jan.	152	Oct.	217½	Nov.	176	Mar.	198	Nov.	160	Feb.	192¾	160	233	140
Lyall Construction, com.	99	Feb.	35	Dec.	165	Nov.	64	Apr.	85½	Sept	63	Jan	80	Mar.	53	Sept.	93	June	25	Jan.	32	Aug.	39	Nov.	...	...	‡20	‡20
Macdonald Co., A, com.	44¼	Jan.	19	Dec.	44¾	Dec.	21½	Jan.	23	Oct.	13½	Jan.	15½	Mar.	8	Jan.	19½	April	10	Jan.	14	Nov.	†7	April	21⅝	8	60	15
Mackay, com.	79½	Mar.	67¼	Sep.	83	May	71⅛	Jan.	79¾	Sept.	72½	Jan.	90	Feb.	70¾	Nov.	87	Oct.	78	April	84¼	Nov.	71	Jan.	88	57¾	87½	*75
Mackay, pref.	74	Feb.	61	Dec.	[illegible]	Dec.	64¼	Jan.	65¾	Apr.	56⅛	Jan.	68	Jan.	59	Nov.	69¼	June	64½	Dec.	70¼	April	65	Aug.	71	65½	68⅞	61
Maple, Leaf, com.	196	Jan.	133	Nov.	[illegible]	Oct.	121½	Jan.	140	Nov.	91	Jan.	115	Mar.	90	Feb.	122	Nov.	60	Jan.	68	May	30½	Jan.	47⅝	25	63¾	85
Maple Leaf, pref.	104	Jan.	92	Dec.	107	June	96¼	Jan.	98½	Dec.	91½	Jan.	103	Feb.	91¾	Aug.	108	Oct.	93	Aug.	98	May	88	Jan.	101	88	100	88⅞
Mexican L. & P., com.	...	....	...	....	18	June	...	....	20	Oct.	18	Oct.	...	....	...	....	15	Aug.	15	Aug.	46	Jan.	46	Jan.	49⅛	32½	82½	45
Mexican L. & P., pref.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	102¾	102¾
M., St. P. & S. S. M., com.	...	....	...	....	...	....	...	....	90	Mar.	80⅛	Jan.	119	Jan.	78½	Nov.	...	....	...	....	126¾	Nov.	116½	Jan.	134¾	101	142	116¾
M., St. P. & S. S. M., pref.	...	....	...	....	...	....	...	....	109	Mar.	104⅞	Apr.	127	Apr.	120	April	...	....	...	....	...	....	...	....	...	...	...	...
Monarch Knitting, com.	75	June	60	Jan.	65	Nov.	50	Jan.	46	Nov.	39	Feb.	40	Jan.	30	Oct.	40	May	25⅛	Jan.	27	Sept.	25	Jan.	40	25	87	72
Monarch Knitting, pref.	90	Feb.	85	Oct.	92	June	78	Jan.	80½	Oct.	75	Jan.	81	Jan.	80	Jan.	83	July	80	June	82	April	82	April	92	82	100	85
Montreal Cottons, com.	87	Jan.	78	Oct.	85	Dec.	58⅝	Jan.	61	Sept	50	Mar.	58½	Jan.	49	June	63	Oct.	50	Sept.	56	Nov.	51	April	55	50	63	51
Montreal Cottons, pref.	105	Apr.	90	July	105	Nov.	100	Jan.	100	Mar.	99½	Jan.	103	Jan.	99	July	115	Nov.	99	Jan.	100½	April	99	Jan.	103	97¾	105½	‡98
Montreal L., H. & Pr., Cons	...	....	...	....	95	July	84½	Feb.	88½	Sept.	68¼	Jan.	82⅞	Jan.	67½	Dec.	...	....	...	....	...	....	...	....	...	...	...	...
Montreal Power	...	....	...	....	...	....	...	....	82	Aug.	76	May	...	....	...	....	249¾	May	218	Mar.	241½	Nov.	211	Jan.	230	211	240	201
Montreal Telegraph	124	Jan.	110	Dec.	125	July	120	Jan.	120	Jan.	120	Jan.	138	Jan.	115	Sept.	136	Jan.	135	Dec.	...	....	*136	....	140	134	147½	135
Montreal Tramways	155	Jan.	125	Nov.	160	Dec.	114¾	June	150	Feb	150	Feb.	181	Jan.	144	May	200	July	180	Dec.	220	Jan.	220	Jan.	230	190	198⅛	120
National Breweries	70	July	39¼	Dec.	199	Dec.	15	Feb.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	*49½	....	83	76	...	...
National Breweries, pref.	97	Jan.	93	June	99½	July	53	Jan.	...	....	...	....	...	....	...	....	75	Oct.	75	Oct.	...	....	*95	....	...	...	...	...
Nipissing Mines Co.	13.75	Jan.	8.40	Dec.	14.20	Dec.	8.25	Jan.	9.30	Dec.	8.00	Jan.	9.50	Sept.	6.95	July	9.20	Dec.	6.40	Nov.	8.70	Dec.	5.25	Aug.	...	...	...	...
Northern Ohio Tract.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	73	Jan.	73	Jan.	...	...	74	73
Nova Scotia Steel, com.	80	Jan.	33½	Dec.	97	June	48	Mar.	71½	Aug.	63½	Mar.	128	Jan.	66	Dec.	154½	Nov.	93¼	Feb.	107	Nov.	45¾	Jan.	79	39	86	71
Nova Scotia Steel, pref.	107	Feb.	75	Nov.	112½	July	104½	Mar.	103	June	100	Jan.	112	Jan.	105	June	115	Mar.	110	Jan.	120	Nov.	110	Aug.	120	110	‡125	‡115
Ogilvie Flour, com.	280	Jan.	175	Dec.	298	Nov.	194	Mar.	205	Dec.	140	Jan.	158	Sept.	137	Feb.	152	Sept.	127⅞	June	144	Oct.	107	Jan.	123	107	129	107
Ogilvie Flour, pref.	105½	Apr.	97	Nov.	110	Feb.	104½	Dec.	111	May	100	Jan.	115	Jan.	107	Oct.	116	Jan.	44½	July	120	Nov.	113	Feb.	117	105	‡119	108
Ontario Steel Products	89	July	50	Mar.	58	Dec.	27	Apr.	35	July	22½	Jan.	34	Jan.	18	Mar.	45	Nov.	19	Jan.	27	Nov.	15¾	Sept.	172	124	192	*143
Ontario Steel Products, pre	89½	Jan.	89	Jan.	90	Nov.	75	May	78	July	73	July	74	Apr.	74	April	91½	Oct.	73	Mar.	74½	Nov.	72½	Sept.	...	...	...	...
Ottawa L., H. and P.	81	Apr.	70	Dec.	87	Oct.	75	Jan.	86	Sept	69	Jan.	92	Jan.	69¾	Oct.	95¼	Nov.	92	Dec.	123	Oct.	120	Jan.	...	...	...	...
Port Hope Sanitary, com.	27	Sep.	25	July	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Pacific-Burt, com.	42	Jan.	30¼	Oct.	40	Dec.	25	May	34	July	34	July	40	Mar.	28	Jan.	29	Jan.	20	Oct.	31	Nov.	28	Aug.	32	28	41	*28
Pacific-Burt, pref.	85	Jan.	76	July	85	Oct.	75	Mar.	77¼	Mar.	77¼	Mar.	82	June	79	Oct.	83¼	Jan.	77½	Nov.	85	Dec.	80	June	85	80	‡90	‡81
Paton Mfg. Co.	...	....	...	....	...	....	...	....	124	June	124	June	130	Apr.	124	Sept.	102½	July	102½	July	...	....	*65	....	...	...	70	70
Penmans, com.	148½	July	93	Dec.	112⅛	Dec.	77½	Jan.	84	Oct.	65	Jan.	73½	Mar.	64	Oct.	78	Oct.	60	Jan.	62	Nov.	49	Jan.	55½	40	58	49
Penmans, pref.	91½	Feb.	74	Dec.	98½	Oct.	82¾	Feb.	85¼	Nov.	81½	Sept	86	Apr.	81½	Jan.	90	Aug.	82	Jan.	83	April	82	Jan.	84¼	79½	88	79½
Porto Rico Rys.	50	June	28½	Jan.	35	Feb.	23	Dec.	37	Aug.	25¼	May	42	Jan.	30	Oct.	49½	June	30	Dec.	51	Jan.	45	Jan.	71	45	72⅛	50⅛
Porto Rico Rys., pref.	79	Aug.	60	Dec.	...	....	...	....	...	....	...	....	80	July	80	July	90	Aug.	...	....	...	....	*100	....	60	60	78	65
Price Bros. & Co., com.	385	Nov.	250	Dec.	260	Nov.	150	Jan.	151	Oct.	120	Feb.	134	July	115	Mar.	132	Nov.	60½	May	...	....	*60	....	...	...	...	...
Provincial Paper, com.	132	Apr.	80¼	Feb.	83	Oct.	51	Apr.	49	Dec.	46	Dec.	51¾	May	50	Apr.	57	Dec.	56	Dec.	...	....	...	....	...	...	...	...
Provincial Paper, pref.	100	July	85	Dec.	90	May	85	Apr.	78	Oct.	78	Oct.	81	Aug.	78	Oct.	...	....	...	....	...	....	...	....	...	...	...	...
Quebec Ry. Co.	36¾	July	18	Dec.	30½	Dec.	16½	Feb.	22½	May	15	Jan.	35½	Jan.	14¾	Oct.	45	Dec.	14	Jan.	20½	Oct.	†9⅛	Aug.	16¾	10	21½	10
Riordon P. & P., com.	226	July	126⅞	Dec.	191	Dec.	119¼	Jan.	123	May	117¼	Feb.	127	Jan.	106	Feb.	150	Nov.	59	Aug.	...	....	*75	....	118	82	119½	101
Riordon P. & P., pref.	101½	Feb.	83	Dec.	100	June	94	Jan.	97	Jan.	92½	Feb.	95	Jan.	90	Jan.	96	Nov.	92	Dec.	...	....	...	....	...	...	...	...
Rogers, com.	71	Jan.	52	Aug.	80	Oct.	25⅛	Mar.	...	....	...	....	80	Feb.	40	Nov.	99	Mar.	85	May	103	Jan.	96	Jan.	147	96	174	140
Rogers, pref.	102	Feb.	80	Dec.	95⅛	Nov.	65	Mar.	...	....	...	....	92	Jan.	90	Feb.	99	Jan.	87	Sept.	99	Nov.	99	Nov.	106	99	115	108½
Russell Motor, com.	89	Jan.	70	July	102¼	Oct.	68	Feb.	90⅞	Oct.	55	Mar.	92	Jan.	50	Oct.	114	Dec.	82	Feb.	50	Nov.	10	April	20	5	91	32
Russell Motor, pref.	98	Jan.	40	Dec.	109	Oct.	70	Jan.	91⅛	Oct.	68¼	Feb.	122	Apr.	72	Oct.	139	Nov.	66	Jan.	76	Nov.	25	April	49	25	100	25
St. Maurice Paper	170	Sep.	123	Dec.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Sawyer-Massey, com.	20	Apr.	13	Nov.	22	July	8	Apr.	13	Dec.	10	Mar.	24	Mar.	8	May	30	April	20	July	33	Aug.	25	Nov.	30	25	50¼	‡30
Sawyer-Massey, pref.	67¼	Mar.	35	Dec.	67	Dec.	30	Apr.	40	Jan.	40	Jan.	41	Oct.	40	Dec.	134½	Oct.	68	Mar.	76	Nov.	69	Jan.	88	69	100	‡82
Shawinigan W. and P.	119½	Jan.	97½	Dec.	127⅛	May	114⅛	Jan.	118½	Sept	105	Jan.	180½	Jan.	107	Oct.	137	Oct.	126¾	Dec.	139½	Nov.	110	Jan.	142¾	110	149½	119
Sherwin-Williams, com.	119	July	75	Apr.	80	Dec.	60	Jan.	60	Feb.	60	Feb.	60	Oct.	56	Feb.	99½	July	53½	Nov.	57	Jan.	55	April	60¼	53	61	47
Sherwin-Williams, pref.	100	Jan.	85¾	Dec.	102	June	90	Oct.	100	Apr.	99	Mar.	100	Jan.	98	Jan.	100	Jan.	97½	Sept.	100	Dec.	98¼	Jan.	103½	95	103¾	90
Shredded Wheat, com.	142	Jan.	130¼	Sep.	147	Oct.	124	Mar.	112	Sept	100	Aug.	137¾	Mar.	112	Oct.	140½	Nov.	102¼	Jan.	102	Dec.	92	Jan.	90⅜	78	81¼	74⅛
Shredded Wheat, pref.	98	Apr.	98	Apr.	90	Apr.	89	Jan.	92	Sept	87	May	95	Feb.	95	Feb.	120	June	95	Jan.	99	Oct.	98	Mar.	94	92½	92¾	90
Spanish River, com.	129	July	75	Feb.	90½	Dec.	17	Jan.	20	Oct.	12¾	Jan.	19	Jan.	12½	Aug.	24¼	Nov.	3½	Jan.	9⅝	Jan.	†3	April	16¾	9	72⅝	9
Spanish River, pref.	149	June	82	Dec.	130½	Dec.	63½	Jan.	64¾	Dec.	50	Feb.	59¼	Jan.	47	Aug.	70	Nov.	29	July	35	May	35	May	51	31	97½	30
Steel Co. of Canada, com.	88½	Jan.	54¾	Dec.	88¼	Dec.	57½	Feb.	74¼	Aug.	49¾	Jan.	71½	Jan.	47½	Nov.	88¼	Dec.	34¾	Jan.	48	Nov.	†8½	April	20	11	28⅛	16
Steel of Canada, pref.	101½	Jan.	85¾	Dec.	110	Dec.	91½	Mar.	98	Sept	84	Jan.	100½	Jan.	84½	Oct.	107¼	Dec.	82½	April	...	....	...	....	...	...	...	...
H. Smith Paper, com.	167	Sep.	74¾	Apr.	151	Dec.	65	Feb.	66	Oct.	65	Feb.	74½	May	65	Sept	...	....	...	....	...	....	...	....	...	...	...	...
H. Smith Paper, pref.	107½	Oct.	91	Dec.	99½	Nov.	78	Feb.	80	Nov.	73¼	July	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
St. Lawrence Flour, com.	139	Jan.	59	Dec.	151	Dec.	87½	Mar.	96¾	Oct.	50	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
St. Lawrence Flour, pref.	98½	May	92	Jan.	98	Dec.	80	Feb.	85	Aug.	80	Mar.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Tooke Bros., com.	86	July	67	May	73	Oct.	20	Mar.	30	Sept	15	July	...	....	...	....	25	April	16	Mar.	91½	Nov.	69	May	87⅝	69	91¾	79½
Tooke Bros., pref.	91	Mar.	83	Feb.	92½	Sept.	70	Feb.	77	Sept.	72½	Aug.	79	Jan.	70	Aug.	83	Nov.	78	Nov.	18	Nov.	16	April	26	15	60	23
Toronto Ry.	65	Dec.	35	Aug.	55	Jan.	39	June	63	Feb.	58	Jan.	90½	Mar.	58⅛	Oct.	111	Jan.	72	Dec.	39⅛	Nov.	35	Sept.	61	30	102	58
Trethewey Mine	51½	Jan.	16	Dec.	50	Dec.	28	Aug.	27¾	Sept	13⅛	Jan.	...	....	...	....	30	Nov.	17	Nov.	117½	April	111	Jan.	144¾	110	148½	132
Tri-City, pref.	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	...	....	17	Nov.	10½	Sept.	29	15	45	26
Tuckett Tobacco, com.	57½	Jan.	41	Dec.	60¾	Oct.	22	Jan.	24¼	Dec.	18½	Aug.	22½	Jan.	17	Oct.	25	Nov.	23½	Nov.	89	Sept.	89	Sept.	...	...	...	...
Tuckett Tobacco, pref.	93	Mar.	81¼	Dec.	91½	Sept.	80	Jan.	82½	Sept.	72¾	Sept.	83½	Jan.	78	April	90	Jan.	85¾	Oct.	29¼	April	29	Jan.	47	29	62	30

Continued on page 31

PRICE RECORD OF CANADIAN STOCKS FROM 1913 TO 1920

Continued from page 30

Stock.	Range for 1920 High	Date	Low	Date	Range for 1919 High	Date	Low	Date	Range for 1918 High	Date	Low	Date	Range for 1917 High	Date	Low	Date	Range for 1916 High	Date	Low	Date	Range for 1915 High	Date	Low	Date	Range for 1914 High	Low	Range for 1913 High	Low
Twin City, com.	49	Nov.	31½	July	58	June	36	Dec.	65½	Jan.	39½	June	95	Jan.	68	Dec.	101	May	93⅝	Dec.	90	Jan.	90	Jan.	101	90¼	98	91½
Wayagamack	150¼	Oct.	71	Feb.	90	Oct.	46	June	55	Dec.	50	Jan.	97	Jan.	50	Aug.	112⅛	Nov.	50	Jan.	...	....	...	....	...	...	...	...
Western Canada Flour	145	Jan.	105	Apr.	160	Sept.	140	July	..	....	..	....	...	....	...	....	118½	Nov.	102	Nov.	101	April	93	July	108⅛	93⅝	109½	101
West India Electric	...	....	...	....	...	....	...	....	..	....	..	....	77	Feb.	77	Feb.	...	....	...	....	...	....	*75	....	...	...	120	120
West Kootenay	...	....	...	....	...	....	...	....	..	....	..	....	...	....	...	....	...	....	...	....	...	....	*94	....	...	...	...	...
West Kootenay, pref.	...	....	...	....	...	....	...	....	..	....	..	....	...	....	...	....	...	....	...	....	...	....	*102	....	...	...	...	...
Windsor Hotel	100	Dec.	70	Oct.	80	Oct.	60	July	...	....	...	....	...	....	...	....	...	....	...	....	...	....	*100	....	...	...	...	...
Winnipeg Electric	38	Apr.	26	Jan.	49	Mar.	35	Jan.	48	Jan.	48	Jan.	81	Jan.	36	Aug.	110	June	90	Oct.	186½	Jan.	180	Jan.	210½	180	218	187
Wabasso Cotton	135	July	48	Dec.	107	Sept.	58	Jan.	61	Nov.	21	Apr.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...
Woods Manufacturing, com.	110	Jan.	98½	Aug.	115½	Nov.	86¼	Jan.	98	Oct.	57¼	Mar.	61	Nov.	44	Aug.	65	Dec.	33	April	45	Oct.	20	April	18	18	70¾	55
Woods Manufacturing, pref.	86	Apr.	78¼	Oct.	90	Mar.	83¼	July	86	Aug.	88½	Nov.	86	Nov.	80	April	101	June	84	Nov.	...	....	*90	....	...	...	94	‡90

*Indicates the minimum quotation where no figures of transactions are available. ‡Indicates stocks which were under 15 points when the markets closed, and, therefore, free of the minimum.

Range of Prices of Bank Stocks for the Past Eight Years on the Montreal and Toronto Stock Exchanges

Name.	1920 High	Date	Low	Date	1919 High	Date	Low	Date	1918 High	Date	Low	Date	1917. High	Date	Low	Date	1916 High	Date	Low	Date	1915. High	Date	Low	Date	1914. High	Date	Low	Date	1913 High	Low
Commerce	199½	Jan.	173¼	Sep.	215	Jan.	195	Dec.	202	Dec.	183¼	Jan.	188	Feb.	182½	Dec.	203	Jan.	183	Oct.	205	Apl.	203	Jan.	218	Jan.	199½	Jan.	224	200
Dominion	206	Mar.	190	Dec.	219	Jan.	199¾	June	209½	Dec.	199	Jan.	212⅛	Jan.	202	Nov.	220	Sept.	204	June	229½	Jan.	227	Jan.	233	Jan.	218	Jan.	242	212½
Hamilton	194	Jan.	168	Dec.	209	Jan.	181½	May	188⅛	Dec.	184	Feb.	192	Mar.	184	Oct.	197	June	146¾	June	208	Aug.	201	Jan.	207	Feb.	198	June	212	199
Hochelaga	158½	June	151	Dec.	160	July	147	Jan.	143	Dec.	140	Jan.	145	Jan.	140	Oct.	149	Jan.	145	July	150	Jan.	149	Jan.	155	Feb.	149	Jan.	170	150
Imperial	200	Jan.	184	Dec.	210	Jan.	196	Dec.	202½	Dec.	185	Jan.	200½	Jan.	185	Oct.	203	July	180	Jan.	214	Jan.	210	Jan.	218	July	210	Jan.	227	207
Merchants	203	May	158	Dec.	202½	Apr.	180	Jan.	180	Dec.	167	Jan.	170	Jan.	167	July	180	April	150	Oct.	180	Jan.	180	Jan.	191	Feb.	177	July	201	180¾
Molsons	194	May	169	Dec.	200	Jan.	179½	Jan.	179⅞	Mar.	179⅝	May	186	May	179½	Jan.	195	Dec.	182	Dec.	202	Jan.	200	Jan.	205	July	194¼	Jan.	208	185
Montreal	220½	Apr.	185	Oct.	225	Apr.	207	Nov.	218½	Dec.	210	Jan.	234	Jan.	210	Oct.	240½	June	219	Oct.	240	Apl.	234	Jan.	249	Feb.	229⅛	Jan.	246	224
Nationale	174	Oct.	162¾	Mar.	160	Sept.	160	Sept.	148	Aug.	148	Aug	149	July	134	Feb.	134	Dec.	134	Dec.	132¾	Aug.	132¾	Aug.	133¼	Feb.	131	May	140	133
Nova Scotia	273	Jan.	243	Sep.	278	July	255	Jan.	251½	Dec.	248	Jan.	257½	Mar.	248½	Oct.	261	Jan.	254	Oct.	265	Jan.	261	Jan.	265	June	257	Jan.	266	251
Royal	233½	May	189½	Nov.	218½	Nov.	205	Feb.	215	Dec.	205	Jan.	214	Feb.	208	Oct.	221¼	Jan.	210	Sept	223	Jan.	221¼	Feb.	228	Feb.	218	June	228	213
Standard	222	Mar.	200	Dec.	217	July	204¾	Apr.	208⅜	Dec.	200	Jan.	215	Jan.	200	Oct.	221	Sept.	221¼	Oct.	220	Apl.	215	Jan.	223½	Mar.	208½	Jan.	228	207
Toronto	197	Jan.	179	Dec.	205	Feb.	193	Jan.	193½	Dec.	184¼	Jan.	192	Jan.	187½	Sept.	215½	April	190	Nov.	211	Jan.	207	Jan.	215	Jan.	203	Jan.	212	202
Union	161	Jan.	139	Nov.	171	Jan.	157½	Feb.	162	July	137	Jan.	142	July	135	Oct.	140	Jan.	132	Aug.	140½	Jan.	140	Jan.	147½	April	138⅞	Jan.	154½	136

*Minimum in all cases.

Range of Prices of Loan Company Stocks on the Montreal and Toronto Stock Exchanges

Name.	1920 High	Date	Low	Date	1919 High	Date	Low	Date	1918 High	Date	Low	Date	1917. High	Date	Low	Date	1916. High	Date	Low	Date	1915. High	Date	*Low	Date	1914. High	Date	Low	Date	1913 High	Low
Canada Landed	150⅛	Feb.	110	Aug.	149	Feb.	138	Oct.	148¾	Dec.	140	Nov.	160	Jan.	150	Dec.	163	Sept.	157¼	Jan.	..	....	157½	....	170	Feb.	155	Jan.	170	152
Canada Permanent	178	Mar.	157	Aug.	176	June	167	Jan.	169½	Nov.	162½	Nov.	173	Mar.	162½	Dec.	183	Jan.	168⅝	Dec.	..	....	183	....	192½	Mar.	183⅞	Jan.	199	180
Central Canada	...	....	...	....	150	Dec.	150	Dec.	...	....	...	....	...	...	...	...	...	....	...	....	..	....	190	....	...	....	...	....	195	190
Col. Inv. & Loan, prf	82	Sep.	67	Aug.	81	June	67	June	69	Nov.	63	Nov.	77	Jan.	63	Oct.	76	Dec.	70	July	..	....	78	....	83	Jan.	78	May	98	79
Dominion Savings	72	May	72	May	45	Apr.	45	Apr.	76	Apr.	75	Mar.	...	...	...	...	80	Mar.	86	Mar.	41	....	78½	....	78	Jan.	77	Jan.	79	76½
Great West Perm.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	....	...	....	*89½	....	..	....	128	Mar.	126	Feb.	130¼	128½
Hamilton Provident	146	Apr.	145	Nov.	146	Sept.	146	Sept.	133	Nov.	121	Feb.	142	Mar.	137	Aug.	140	Mar.	138	Sept	140	....	134	....	140	May	137	April	136	132
Huron & Erie	113½	May	110	Oct.	218	May	...	....	204	May	202	May	211	June	205	Oct.	214	June	209	Jan.	207	....	205	....	212	July	210	Mar.	219	209
Ld. Bank. & L.	142	Mar.	141	Dec.	142	May	140	Sept.	141	May	140	Nov.	143	Oct.	143	Oct.	145	Sept.	144	June	149	....	140	....	146	June	143	Mar.	135	130
Lon. & Canadian	126	May	110	Nov.	127	Feb.	118	June	126½	Apr.	126½	Apr.	132	Feb.	128½	Nov.	135	Nov.	132	Jan.	131	....	130	....	138	April	125	Jan.	123	113½
Montreal L. & Mortg	165	May	155	Dec.	155½	July	150	Sept.	152	Dec.	...	....	165	Jan.	162½	June	175	July	160	May	..	....	165	....	175	Jan.	175	Jan.	190	175
National Trust	230	June	198	Dec.	205	Sept.	200	May	...	....	...	....	212	May	207½	Oct.	210	Nov.	210	Nov.	..	....	218	....	230	April	225	Jan.	225	220
Ontario L. & Deb.	160	May	155	Oct.	160	Mar.	155	Mar.	...	....	...	....	175	Jan.	175	Jan.	175	Nov.	169	Jan.	169	....	..	....	173	April	173	April	172	166½
Real Estate	95	Jan.	92	Oct.	100	July	98	Oct.	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	103	Mar.	102	Jan.	107¼	100
Toronto Gen. Trust.	211	Mar.	196½	Nov.	220	Sept.	207	Dec.	204	Nov.	199¾	Feb.	215	Feb.	200	Nov.	212	Nov.	205½	Mar.	208	....	..	....	204	Mar.	189	Jan.	200	183
Toronto Mortgage	135	May	129½	Jan.	135	June	131	Nov.	134	Nov.	...	....	140	Jan.	136	Aug.	140	Dec.	134	Feb.	..	....	134	....	140	April	137	June	155	134
Toronto Savings	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	...	....	...	....	..	....
Union Trust Co.	...	....	...	....	...	....	...	....	...	....	...	....	...	...	...	...	...	....	...	....	..	....	..	....	...	....	...	....	178	178

*Last sales.

The Canadian National Fire Insurance Co.

HEAD OFFICE, WINNIPEG, CANADA

Authorized Capital -	$3,000,000
Paid-in Capital - -	1,850,000
Subscribed Capital -	2,050,400
Assets - - - - -	2,700,000
Surplus to Policyholders	2,200,000

Board of Directors:

President: J. H. G. Russell
Vice-Presidents: Major D. E. Sprague, O.B.E.; F. H. Alexander
Managing Director: W. T. Alexander

Directors:

E. L. Taylor, K.C.
W. J. Boyd
Dr. A. D. Carscallen
Hon. A. C. Rutherford, Edmonton
S. D. Lazier, Belleville
F. N. Darke, Regina
Andrew Gray, Victoria
Thos. S. McPherson, Victoria

General Fire Insurance Business Transacted

AGENCIES:

Toronto Office—20 King Street West.
Victoria, B.C.—R. W. Perry.
Vancouver, B.C.—E. J. Roberts, Rogers Building.
Calgary, Alta.—Newton & Nowers.
Edmonton, Alta.—Allan, Killam, McKay, Alberta, Ltd.
Regina, Sask.—Anderson & Lunny.
Saskatoon, Sask.—Trotter & Stewart.
General Agent Nova Scotia—A. J. Bell & Co., Halifax.

A Canadian Company Investing Its Funds in Canada

The Great West Permanent Loan Co.

HEAD OFFICE: Great West Permanent Building, Winnipeg, Canada

Our Record Growth

	PAID-UP CAPITAL	RESERVE	ASSETS
In 1903	$110,295.92	$27,767.21	$160,574.29
In 1919	$2,413,018.81	$1,050,000.00	$7,423,973.29

Board of Directors

PRESIDENT
W. T. ALEXANDER
MAJ. D. E. SPRAGUE, O.B.E. E. L. TAYLOR, K.C.
S. D. LAZIER
HON. A. C. RUTHERFORD J. H. G. RUSSELL
DR. A. D. CARSCALLEN
W. J. BOYD
F. H. ALEXANDER, Secretary

BRANCHES AT

Toronto, Calgary, Edmonton Regina, Vancouver, Victoria, Edinburgh, Scot. London, Eng.

Short Term Debentures Issued to Yield 5½%

4%—Compounded Quarterly on Deposits

The Imperial Canadian Trust Company

HEAD OFFICE, WINNIPEG, CANADA

Incorporated by Special Act of the Legislature of Manitoba

Licensed under the Laws of the Provinces of Saskatchewan, Alberta and British Columbia.

Authorized Capital - - -	$3,000,000
Subscribed Capital - - -	1,171,700
Paid-up Capital & Reserve -	1,225,000
Total Assets - - - - -	7,300,000

DIRECTORS:

Major D. E. Sprague, Esq.; J. H. G. Russell, Esq.; W. T. Alexander, Esq.; Dr. A. D. Carscallen; W. J. Boyd, Esq.; E. L. Taylor, Esq., K.C.; F. H. Alexander, Esq.; Hon. A. C. Rutherford, James Short, Esq., K.C.; S. D. Lazier, Esq.; R. T. Elliott, Esq., K.C.; Thos. S. McPherson, Esq.

General Manager - W. T. ALEXANDER, Esq.

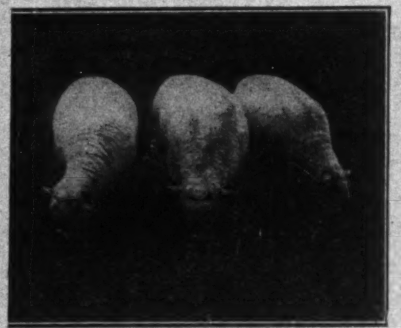
AUTHORIZED TO ACT AS

Executor, Trustee, Administrator, Guardian, Receiver, Assignee, General Financial Agents

Branches at VANCOUVER, VICTORIA, CALGARY, EDMONTON, REGINA, SASKATOON.

ONTARIO

CANADA'S LEADING AGRICULTURAL AND INDUSTRIAL PROVINCE



WEALTH OF FARM

ANNUAL product of farms, mines, forests, industries, etc., of the Province of Ontario (which under the tax power of the province is the security behind all Ontario Government bonds) is sufficient to pay off the entire direct bonded indebtedness of Ontario, and do it each year.

Industrious, ambitious people, of unimpeachable integrity, are behind every financial move made by the Provincial Government, and available for the energies of this population are abundant natural advantages and convertible resources in timber, minerals, and the harvests of land and water.

From the strength of their own sound agricultural and industrial communities the people of Ontario have elected as their representatives men of character in keeping with the traditions of Ontario, men aware of and in practical manner familiar with the agricultural and economic productive strength of the province, men earnestly ambitious for the economic welfare of their province who are directing their best efforts towards the wise development of abounding natural assets for wealth production.

In agriculture, Ontario possesses superb productive power. Total value of Ontario's field crops for 1920 was $396,183,000. In 1919 the amount realized was $373,507,500, an increase of $22,675,500. Value of Ontario's mineral output was $57,582,113, an increase of nearly half a million dollars over previous production. Timber output reached a total of over $50,000,000, and industrial production amounted to $1,533,000,000.

Added to these great facts of Ontario's annual productive power, the financial worth of which is back of Provincial bond issues, there are the assessed value of the Province's properties, $2,054,000,000; uncultivated farm lands extending to 20,000,000 acres; available timber, 19,000,000,000 feet; available pulpwood, 3,000,000,000 cords; and undeveloped water powers, 6,000,000 h.p.

Fourteen million acres of land are under cultivation in Ontario; 15 million acres have been cleared, and rural area assessed extends to 25,000,000 acres. Forest areas measure up to 150,000 square miles. Ontario has 23 cities, 139 towns, 150 villages and 553 townships. Ontario's mines furnish 45 per cent. of the whole mineral production of Canada and the most valuable nickel mines in the world are within the borders of Ontario. One-half of the whole cheese production of the Dominion is manufactured from the product of Ontario's farms, by Ontario dairy industry. Over 11,000 miles of steam railway, over 700 miles of electric railway and over 2,500 miles of Hydro-Electric transmission lines are in Ontario. There are at least 6,000,000 h.p. in water powers yet to develop in Ontario, and nearly 100,000 h.p. already developed and turning wheels of industry or transportation.

Ontario's $15,000,000 Bond Issue Over-Subscribed in 48 hours

UNMISTAKABLE evidence of the absolute satisfaction felt by investors in the security and sound quality of Ontario's Bond Issues is found in the reception accorded the $6,000,000 offering made early in December, 1920. Investment houses handling this issue were besieged with subscriptions for the bonds. Within 24 hours the original six million dollars issue of bonds had been placed, and an additional issue of $9,000,000 was fully placed within another day, making $15,000,000 in all, eagerly taken up within 48 hours. The sound reasons for the abounding confidence of the investing public in Ontario's Bond Issues are found in the facts of Ontario's substantial worth set forth on this page.

WEALTH OF MINE, OF FOREST, OF FOUNDRY AND FISHERY
PROSPERITY IN BUSINESS AND FINANCE

What is Behind Every Ontario Bond Issue

The ANNUAL PRODUCT on Ontario's farms, mines, forests, industries, etc. (which under the tax power of the province secures all Ontario Government bonds), would pay off the entire direct bonded debt of the province 22 times, and do it each year.

	Ontario	All Canada
Value of field products	$ 396,000,000	$1,636,000,000
Value of mineral output	57,000,000	178,000,000
Value of timber output	50,000,000	172,500,000
Value of manufactured products	1,535,000,000	3,015,000,000
Total	$2,013,000,000	$4,812,500,000

Assessed value	$2,054,000,000
Annual production	$1,535,000,000
Uncultivated farm land	20,000,000 acres
Available timber	19,000,000,000 feet
Available pulpwood	300,000,000 cords

A FEW SIGNIFICANT FACTS

Rural areas assessed	25,000,000 acres
Areas cleared	15,000,000 acres
Under cultivation	14,000,000 acres
Areas of forest territory	150,000 sq. miles
Steam railways in Ontario have a total length of	11,057 miles
Electric railways	767 miles

One-half of the cheese produced in Canada is made in Ontario.
Ontario furnishes 45 per cent. of the mineral production of Canada.
The most valuable nickel mines in the world are in Ontario.

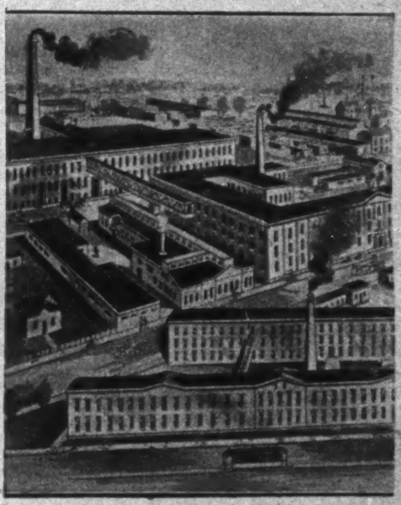
Estimated undeveloped water-power	6,000,000 h.p.
Developed water-power	985,000 h.p.

Ontario's Hydro-Electric has constructed and operates 2,533 miles of high and low transmission lines.
Ontario has 23 cities, 139 towns, 150 villages and 553 townships.

The Provincial Cabinet

Prime Minister and President of Council	Hon. E. C. Drury
Attorney-General	Hon. W. E. Raney
Treasurer	Hon. Peter Smith
Secretary and Registrar,	Hon. H. C. Nixon
Minister of Education,	Hon. R. H. Grant
Minister of Public Works,	Hon. F. C. Biggs
Minister of Lands, Forests and Mines,	Hon. Beniah Bowman
Minister of Agriculture,	Hon. W. W. Doherty
Minister of Labor	Hon. W. R. Rollo
Minister of Mines	Hon. H. Mills
Without Portfolio	Hon. D. Carmichael

PROVINCIAL GOVERNMENT OFFICES, TORONTO



WEALTH OF FACTORY

ONTARIO is the largest province in Canada, being three and a third times the size of the British Isles, and about twice the size of France or Germany. Southern Ontario is in area 77,000 square miles, and is very fertile, with a climate well suited to the growth of all classes of agricultural produce and the finest of fruits and vegetables in immense abundance. Southern Ontario embraces the far-famed "peninsula," sometimes referred to as "The Garden of Canada," where grow peaches, grapes, pears, apples, cherries, and all classes of valuable fruits in profusion. Average yield of apples for instance in this district is 12,000,000 bushels; of grapes, 15,000 tons, while peaches produced a crop worth a million dollars, and pears a similar amount.

Northern Ontario is a vast territory 330,000 square miles in extent and as yet only in the commencement stages of development, yet already richly productive. Climate and soil of the North are both favorable to large farm production. Much is being done in this direction, while in mine and forest wealth the Northern territory is stored almost boundlessly. Forest and pulpwood wealth of Ontario is vast and productive enterprise has done much to develop this wealth to the advantage of Ontario. The province has 260,000 square miles of forest lands which contain timber of ever-increasing economic value. Absolutely the finest pine grown in all the continent of America comes from Ontario and the call for this timber is constant. Hardwoods are still abundant enough to supply a thriving furniture industry, while pulpwood production is one of the principal forest sources of wealth in the province. An investment of $44,843,439 in the forest development of Ontario has produced a value in one year's cut of $42,000,000 and a pay-roll of $31,400,000 has been kept employed.

Ontario's mines produce practically every known metallic substance known to commerce, and most of the non-metallic mine products. Coal and tin have not been found, though recently coal indications have been announced from the North and oil and natural gas are found in Ontario. Mineral production of Ontario amounts to over $80,000,000 annually.

Industrially, Ontario is Canada's premier province. Manufacturing of all kinds is carried on. Over 375,000 workers are employed, and the payroll represented is over $285,000,000 annually. Capital investment in Ontario industries is over $1,336,000,000, and annual production amounts to $1,535,000,000. Food products, based on Ontario's well-known agricultural excellence, add to the industrial production of the province, dairy products, for instance, amounting to 50 per cent. of the whole Dominion output and a market value of $47,834,289. Pork packers of Toronto (five plants in all) turn out annually some $60,000,000 worth of foodstuffs of highest standard, and in wide demand. Abundant opportunities exist in Ontario for further industrial development and full details on this or other subjects relating to the province are readily obtainable from the Ontario Government Offices, Queen's Park, Toronto.

RECORD VOLUME OF TRADE IN 1920; BUT THE BALANCE WILL BE MANY MILLION DOLLARS AGAINST CANADA

Increase in Imports of Manufactured Goods Feature of the Year's National Trading

SOME INCREASE IN EXPORTS ALSO NOTED

But Our Big Purchases in the United States Were Outstanding Feature—Despite Coal Resources Our Imports Were Five Times More Than Our Exports

By T. M. FRASER, Ottawa Representative, "The Financial Post."

The latest statistics available on the trade of Canada for the current year give totals only to the end of November, so that a survey for the whole calendar year must depend on an estimate only for the month of December. By making allowance for certain visible tendencies, however, such as the dropping off in customs receipts and other phenomena, a fairly close idea may be gained of the operations of the year.

As the year 1917 is the record year in our trade, as 1918 marks the transition from war to peace, and as 1919 was a complete peace year, it is interesting to make a comparison showing the exports and imports during the twelve months ending November 30th, in each of these four years. They were as follows:

	1917.	1918.	1919.	1920.
Imports	$1,012,352,000	$ 898,211,000	$ 920,082,000	$1,345,582,000
Exports	1,575,143,000	1,300,761,000	1,251,004,000	1,289,536,000
Total	$2,587,495,000	$2,198,972,000	$2,171,086,000	$2,635,118,000

Hitherto, the greatest trade year in the history of Canada was the year 1917, when the total of imports and exports was just under $2,600,000, but in that year it was enormously expanded by the export of munitions, the effect of which was also visible in the trade returns of the two following years. Even in 1919, although a peace year, Canada exported nearly fifty million dollars worth of this trade exotic. In the current year this has fallen off to a little more than a million and a quarter—a fact which must not be lost sight of when speculating upon the changes in our trade.

It will be seen that the year 1920 has broken even the great record of 1917 for total trade, being well over $2,600,000. For the past three years the total trade for the month of December has averaged over $200,000,000 the exports averaging about $130,000,000 and the imports $76,000,000. What the exports for December will be is impossible to estimate; but judging from reports from the principal local customs houses in the Dominion, the imports are dropping off pretty heavily, and will likely be considerably below those of November, which were the heaviest for that month on record.

Past Year A Record

It will be seen that the year 1920 is in one respect, a record. It is not, however, an entirely satisfactory one; for the reason that the great total is accounted for far too largely by import trade. This year, the balance of trade is against Canada.

While our exports of both Canadian and foreign produce are over $38,000,000, and of home produce alone over $58,000,000, over those of last year, the imports show a surprising increase over those of any year in our history. They exceed thost of last year by over $425,000,000. The balance of trade for the past four years has been as follows: 1917, $562,790,000; 1918, $502,549,000; 1919, $331,017,000, all favorable balances; and in 1920, a sudden reversal, with an unfavorable balance of over $56,000,000.

While this change is undeniably disagreeable to contemplate, it is well to realize that it probably means that our trade is simply getting back to normal. The first year in our history when we had a favorable banance of trade was in 1915 when there was a small balance of about six million dollars in our favor. For the four years before that, from 1911 to 1914, the balance against Canada averaged about $183,000,000 a year; and for the five years previous to 1911 about $56,000,000 a year.

Although the figures given show the present value of our exports and imports they are not comparatively a good guide as to the progress of our trade, for the reason that, so far as export values are concerned, they are probably at least one hundred per cent. greater than were those for the same volume of trade before 1914. Nor are import values any more actual. By a customs ruling which went into effect in the latter half of the year, imports from countries whose currency is depreciated are valued for duty according to the value of the foreign currency as compared with the standard dollar of Canada. Therefore increase in importations from Great Britain, which are generally considered to have been falling in the past few months, probably still maintained their volume of increase in quantities, although the volume in values was lower under the new ruling.

Conversely, this may also seem to apply to importations from the United States where the exchange runs the other way; but as a matter of fact, the Customs Act make no provision in the case where foreign currencies have appreciated in value, so that the heavy increases in transportations from that country are actual, although increased from there as elsewhere by the inflation of prices.

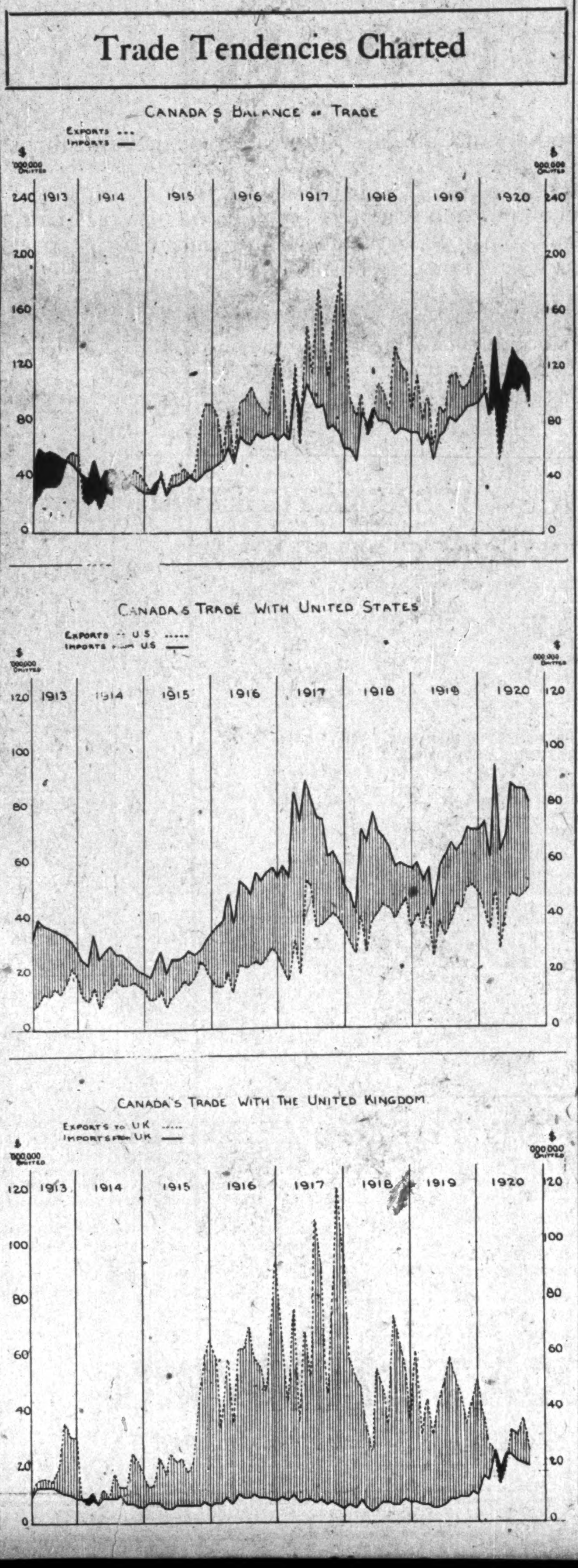
Under such circumstances as set forth above, there would seem to be a favorable opportunity for the importation of goods from those countries where the currency has depreciated. This appears to be happening in the case of the United Kingdom, where the heavy increase in imports has already been noted. In the case of France, also, imports have jumped during the year from $6,000,000 to $20,000,000, although our exports to that country have fallen from $62,000,000 to $39,000,000. From Belgium imports have increased nearly twenty-fold; while Italy and Greece also show increases. Imports from believed that a large quantity of German goods are coming in from the United States, a trade which must be immensely profitable.

Exports and Imports

Up to the time of the war, our exports to the United Kingdom had always exceeded those to the United States—exports to those two countries constituting about seven-eighths of our total export trade. The position of precedence was maintained by the United Kingdom during the war, but largely by reason of the large exports of munitions. During the year 1920, this position was reversed, and for the year ending November we find that our exports of Canadian produce to the United Kingdom were $352,083,388, while those to the United States were $545,283,365; and this notwithstanding the fact that the United States is about the only great country where Canada does not make systematic efforts by maintaining trade commissioners, preferential tariffs, and other substantial or sentimental means to push trade.

The statistics for the import trade are even more striking. During the past year we bought a little less than $230,000,000 worth of goods from the

Continued on page 36.



Trade Tendencies Charted

THE MOVEMENT OF WHEAT TO STATES HELPS FARMERS

Larger Portion of Western Crop Marketed Than Year Ago

PROPOSED TARIFFS

Hostility Towards Canada is Being Stirred Up Over the Border—Will Close One Of Our Best Markets

By E. CORA HIND,
Commercial Editor, Manitoba "Free Press."

Well, the Fordney bill has passed Congress by a big majority and if the Senate passes it also it will be a case of "after that the deluge" for Canadian produce—at least that is what some of our friends to the south are thinking. It is amusing to read that help for the American farmer is so urgently needed, when, in the same column, it is stated that of the 20 articles to be embargoed by excessive tariffs only 40 per cent. of the value of these articles consumed is at any time imported. The action is partly panic and a great deal hostility to Canada via Irish and German sentiment in the United States.

Not the least amusing feature of the situation is that for years the farmers' organizations in the United States have been sending fraternal delegates to the annual meetings of organized farmers in Western Canada, telling them what fine fellows they are and how the interests of Canadian and United States farmers are identical. Now someone is moving heaven and earth to prevent Canadian farmers from the use of what is their best and most natural market.

Canadian Wheat to U. S.

Figures issued at the close of navigation show that up to midnight, Dec. 12, when navigation closed for the year, the total shipments to the United States out of the wheat crop of 1920 amounted to 57,721,233 bushels. Placing the consumption of the United States at the usual figure of 5 bushels per head, their home requirements would be 500,000,000, so that Canada's contribution would be, roughly, a tenth of their requirements. The total amount shipped to the United States out of the crop of 1919 was 5,102,710, but it must be remembered that Canadian wheat was embargoed up to Dec. 15 of that year.

In the years 1915, 1916 and 1917 movement of Canadian wheat to American ports was very heavy, but this was, of course, mainly war supplies for Britain and Europe. This year the wheat going to the United States has been mainly straight purchase and has apparently gone into consumption as, so far as figures are available, the amount of hard spring wheat leaving American ports for Great Britain and the Continent has been very small, while the export movement of winter wheats has been heavy. Apparently the United States need Canadian wheat for two reasons: the low gluten content of their own wheat and the fact that they had oversold in the early part of their season.

Movement of 1920 Crop

The movement of the 1920 wheat crop in the West has been very heavy in spite of the repeated rumors that farmers were holding their wheat. At the close of navigation there was something over eight million bushels in store at Fort William as against slightly more than three million bushels at the corresponding date in 1919. This, it is fairly safe to assume, is farmers' wheat; just why they are holding it in view of the fact that cash demand is keen and December selling at 16 to 17c over the May, without allowance for carrying charges, does not appear—but apparently they intend to hang on.

Incidentally nearly four millions of the wheat in store when navigation closed was number one Northern and the quality of the crop up to that date was over 87 per cent. contract, that is one, two or three Northern. Up to the close of navigation the total inspection was 114,855,000 bushels, against 74,081,250 bushels in 1919, with at least 25,000,000 bushels in store in country elevators and another fifteen million in transit, 150,000,000 bushels of the wheat crop is accounted for. Of the wheat actually inspected, up to Dec. 12th 97,726,537 bushels had been unloaded at Fort William and 86,000,000 had been shipped from the lake head against a shipment for the same date last year of 53,000,000.

Value of the Crop

There has been a good deal said and written as to the amount of money that has actually come into the country from the wheat crop so far. The Manitoba Free Press has worked out the figures for the 1920 crop from August 18, when it began to move, up

Continued on page 35

Canadian
Government,
Municipal
and
Corporation
Bonds.

High Grade
Industrial
Securities.

The Services of our Statistical Department are at all times at your disposal.

All inquiries for information will be most carefully and courteously attended to.

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INVESTMENT BANKERS
·14 KING STREET EAST, TORONTO·

Canadian Associated Goldfields Made Progress During 1920

Special General Meeting of Company Reveals Progress of Development Work in Past Year—A Very Enthusiastic Gathering

COMPANY NOW IN STRONG POSITION

A special general meeting of the shareholders of the Canadian Associated Goldfields, Limited, held in Toronto on Wednesday, December 29th, revealed progress of development work in past year. The meeting was attended by a very enthusiastic gathering, and cash on hand was reported to be $850,000.

In his address to the shareholders Dr. MacKay said in part:

Fellow Shareholders: The object of this meeting to-day is to place before the shareholders in a full and comprehensive manner the present condition of our mining properties, showing how and why this position has been attained.

You will recall that on April 16th, last, the date of our Annual Meeting, we presented to the shareholders the report of our Chief Engineer, Mr. A. J. Moore, showing that up until that date we had drilled some ten diamond drill holes along a body almost a mile in length. The assays of these diamond drill cores indicated the probability of two rich lenses extending along each side of our large body and segregating the high values shown by these diamond drill assays. Indications point to these enrichments having a width of from fifty to one hundred and fifty feet and giving an average assay value of $11.15 per ton.

I did not, and the Engineer's Report did not, make the statement attributed to me at the Annual Meeting, or on any other occasion, that one hundred and fifty million dollars' worth of ore had been blocked out.

It was pointed out by our Engineer that the proper sequence of mine development should be: First, locating the values by means of diamond drill holes. The second step should be the sinking of a shaft, and the running of crosscuts and drifts to cut these lenses, thus opening up the ore already known to exist, and preparing it to be mined. And the third step would then be to erect a mill suitable to and commensurate with the developed ore.

On the strength of this report I predicted that the mill would be built by January 1st.

Upon my next visit to the mine, in further consultation with the Engineers in charge and Dr. Cooke, a more cautious council prevailed. It was pointed out that these diamond drill holes were at least 300 feet apart, further drilling between these holes should be done, and your Directors felt that they had no option in the matter and must abide by the decision of the Engineers.

Your Directors have done all in their power to have this work carried on in a most efficient manner, and three graduate Mining Engineers have been continuously in charge of our work, and their efforts have been directed towards development of the properties in the most conservative manner, and in such a way as to produce for the shareholders the greatest ultimate benefit.

Serious delays were caused during the summer from forest fires, and for several weeks nearly every man in our employ was engaged fighting these fires. The Company lost over six miles of transmission line, and all of these poles had to be replaced, and, being mostly in solid rock, constituted no small amount of work, in addition to leaving us without power for some weeks.

The sinking of our large permanent three-compartment shaft was commenced some six weeks ago, and has now attained a depth of some seventy-five feet. Considering the time required to install headframes and timber in the shaft, this headway is to be considered very satisfactory. The Contractors who have this work in charge estimate that they will be able to sink the shaft from this on at the rate of possibly one hundred and fifty feet per month, so that the next three or four months should see our shaft down five hundred feet. The location of this shaft was selected in a place where our Engineers anticipated that they would be going through low-grade ore, but when the eighteen-foot level was reached they broke into exceptionally high-grade ore, possibly equal to anything that has been found in the North Country, and reports coming to our office within the last few days indicate that the present grade of ore on which the men are working continues to be very high.

Your Directors have seen fit to engage an independent mining engineer to visit the properties and report to them any suggestions in the way of improvement which he might recommend.

We are pleased to tell you that the Company has on hand to-day (cash in the bank) as much money as when we last met, at our Annual Meeting in April. No stock has been sold since that date, and deferred payment from stock sold previous to that date has been sufficient to carry on the work from that time. The Argonaut Gold Mining Company has been purchasing power, and owing to exceptionally low water all through Northern Ontario there has been a great dearth of power which had handicapped other power companies very severely.

Mr. George A. Gray, who had held the position of chief mining engineer of the Dome Mine, and who had been with the Company since 1912, has been engaged by your Directors as General Manager, and will assume his duties with us on January 1st next. Mr. Gray brings with him the experience of many years with one of the largest producing Canadian Mines and his services should prove of great value to the Company. This selection has met with commendation on all sides. Mr. Moore continues with us in his position of Consulting Engineer.

Your Directors and Advisory Board have felt that the assets of the Company, along with the newly acquired interests, justify an increase in capital, and with this in view a new Charter has been obtained, known as Canadian Associated Goldfields, Limited, with a view to giving each shareholder in Associated Goldfields Mining Company, Limited, four shares of the new stock for each share held by him in Associated Goldfields Mining Company, Limited. Over ninety per cent. of the shareholders of the Company have already made this exchange. As you are aware, there were still a number of outstanding shares in each of our old companies that Goldfields, Limited, had taken over, and this new charter has given us the opportunity of rounding up into one Company these outstanding shares.

A persistent effort is being made in certain sections of the Press to injure all holders of Associated Goldfields stock by paving the way for a Sacrifice Sale of the stock by the shareholders when the Pool is broken.

You own a most valuable combination of waterpower, which fact is a thorn in the side of certain other interests.

If we were offering stock to the Public or contemplated doing so, these vindictive attacks might find a pretext of excuse in that their aim was (so they would tell you) to protect the Public and kill further investment in our Company.

Accompanied by much applause, the following resolution was carried almost unanimously:

"That this Meeting of shareholders of Canadian Associated Goldfields Mining Company, Limited, assembled here, desire to place on record their approval of the conservative management to the Directors and endorse their policy in their endeavor to expeditiously develop our properties and conserve our treasury, with a view to reaching the producing stage at the earliest possible moment.

We at the same time resent the seemingly inspired and well-organized campaign of rumors, innuendoes and misrepresentations that have appeared from time to time, which have as their objective a desire to disunite the shareholders and disparage their investment."—Adv.

CONSTRUCTION OF NEW SHIPS HELD UP BY EXCHANGE

Europe Prevented From Buying in Canada by That Factor

OUTLOOK NOT BRIGHT

In Review of Year in Ship-Building, Expert Points Out That Industry Faces Many Serious Problems

By T. H. FENNER,
Editor "Marine Engineering and Shipbuilding Review."

Looking back over the past twelve months' activities in the maritime world, they cannot be said to have been without interest, in fact in some ways they have been spectacular, but have gradually been slowing down as the year wore on, until now shipping has entered the doldrums. How long it will tack about there before catching the first whisper of the wind of prosperity, depends upon a number of factors, the chief and most uncertain one being the time when the world will settle down to work and produce.

The expected slump in freight rates has materialized, and the more inexperienced among the operators of shipping have felt the pinch the most. At the same time, passenger rates have kept up their previous high level, and have in many cases advanced, and that they will keep this advance up is most probable. The conditions governing the freight world are altogether reversed in the case of the passenger vessels. In the shipbuilding trade, work is also falling off, after the gigantic efforts put forth by various nations during the past two years, and in many cases plants which cost millions to put down are practically abandoned, and of no use to anyone at the present time. In Canada, the year has been marked by the failure of some of the yards, and the prospects for the future are, at the moment, none too bright.

Canada's Shipping and Shipbuilding

The past has been a busy year for Canada, both in her shipbuilding yards and on the high seas. Besides the ships that have been built for the Canadian Government Merchant Marine there have been a few built for export, and there is no doubt that there could be more export orders secured if there was any method of overcoming the exchange rate handicap. It has been rumored on several occasions that large orders have been secured for vessels for export, but these have not materialized. A suggestion was made during the year that the government should finance the building of ships for foreign order, taking a mortgage on the vessel as security. This was finally agreed to by the government, but up to the present no orders have materialized under this arrangement. Shipbuilders claim that the proportion of the cost of construction that would be advanced by the government should be about 50 per cent. instead of the 25 per cent. they suggest. At the present time building is active at Halifax, Levis, Three Rivers and Port Arthur and Collingwood. Some of the Pacific coast yards are also building vessels.

As to the outlook for the future, we quote the opinion of one of the leading men in the industry, which should be of interest as coming from a practical shipbuilder, who knows whereof he speaks. The gentleman in question is Mr. C. M. Gillam, managing director of Canadian Vickers, Ltd., who speaks as follows:

> During the past year the supply of materials, especially steel, was considerably handicapped by the labor troubles in the States in the railroad and mining industries, but this condition has much improved in the past few months. The tendency now as regards prices is downwards in practically all commodities. The supply of materials is distinctly good and promises to improve.
>
> There is an ample supply of labor and its efficiency has shown a steady improvement, although the wages which gradually increased during the past years to meet the increased cost of living, still remain at a high figure. In this connection it is confidently hoped that as the cost of living improves the saner elements in labor will be able to guide their less informed brothers, realizing that a reduction in labor costs is essential if business is to be obtained in competition with European countries.
>
> In the shipbuilding industry there is a serious falling off in the number of employes, due to lack of orders for 1921. The cause of this is the adverse exchange rate and the fact that the Canadian Government shipbuilding programme has come to an end. There is no market in the United States for Canadian-built ships due to the financial inducements offered by the United States Government to United States owners to build their vessels in the States. The consequence is that the only market for Canadian shipbuilding at present is Europe and, as stated above, the exchange rate is sufficiently high to prevent business.
>
> With reduction in prices of materials and increasing efficiency of labor, prices asked for in Canada for ships are steadily coming down, and it is confidently predicted that, with the further reduction, both in wages and materials, anticipated in the near future, such prices will be so reduced as to enable Canada, apart from the exchange question, to compete to advantage in the open markets of the world. This is the only feature which justifies the hope that, as exchange becomes normal, there will continue to be a limited shipbuilding industry in Canada which can operate on a commercially sound basis.

The Canadian Government Fleet

Our Canadian government fleet has extended its activities during the year until now it is on every route in the British Empire. Vessels are sailing from Halifax and St. John, N.B., in the winter, and Montreal and Quebec in the summer to Newfoundland, Liverpool, European Continental ports, British West Indies and South America, while they are sailing to the East Indies and China from both the East and West coasts. The vessels are a fine type of ship, well found, with good accommodation for officers and crew, and in the later ships extra accommodation has been provided for three or four passengers. On the ships in the Australian service refrigerating space will be provided, as well as the domestic refrigeration that is fitted in most of them. The writer, who spent a good many years at sea, has never seen ships with such comfortable crew accommodation as these Canadian vessels, and it is a credit to their designers. The fleet, as we have had occasion to mention on several occasions, is managed exactly in the manner of a privately owned line, and on that account has managed to show a very good profit so far. The action of the management in linking up their fleet with such firms as the Cunard Line, and Alfred Holt's, have shown a foresightedness and absence of the usual bureaucratic spirit associated with government undertakings that gives the fleet a hope of success in the lean time to come. Canada has received a wonderful advertisement in all parts of the world through this excellent fleet, and it would have been well worth while from that viewpoint alone. Apart from this the fleet has opened up trade routes for Canada, and we believe has opened up the possibilities of export trade to many who had not previously given it a thought. The fleet is pretty nearly completely manned by Canadians, and is about as thoroughly Canadian an institution as can be found in the country.

The not inconsiderable lake and river traffic carried on by the Canadian Lake transportation companies has been bigger than ever this year, and it is pleasant to note that a purely lake steamer was launched for a Canadian company from the yard at Midland during the early part of December. This is a business which Canadian lake yards are as well able to handle as any others, and they should find much profitable work of this kind in the future. The repair business is well catered for in Canada, with dry docks at Sydney, Halifax, on the St. Lawrence; at Port Arthur, Collingwood and Midland, on the Great Lakes, and in the near future on the Canadian Pacific coast.

READJUSTMENT YEAR IN TEXTILES AND OTHER LINES

Continued from page 26.

the culmination of the readjustment period. Retail prices on innumerable lines today are lower than the costs of production warrant. Unless there is a big cut in the labor wage—which is undesirable—prices cannot fall to any great extent. Woollens which constitute the foundation of a great deal that enters into lines of men's and women's wear have not dropped very much in price. The Canadian mills' prices for fall, 1921, are little below those of a year ago. English woollens are not down, and with the possibility of a resumed trade with Russia, are not likely to show much fluctuation. Prices in many lines are fictitious, and are inspired by an actual need of money. As yet, labor costs show no appreciable drop in any of the manufacturing lines. When normal trade is resumed, prices, it would seem, will be a better indicator of a healthy readjustment than the present saturnalia of sales.

AREA—251,700 square miles—
161,088,000 acres.

POPULATION:

Census, 1911	492,432
Dominion Estimate, 1919	744,000
Provincial Estimate, 1920	833,267

Saskatchewan Leads

SASKATCHEWAN is the western granary of Canada—a province far renowned for its vast potentialities in agricultural resources.

During 1920 Saskatchewan has continued to lead in the production of wheat, oats, and other essential farm products. Of the wheat raised in Canada in 1920, Saskatchewan produced 113,135,274 bushels. The total estimated oat crop of the province for 1920 was 141,549,265 bushels. The value of the wheat and oats alone was over $300,000,000.

Yet this is but a small part of what Saskatchewan is capable of producing. Of the 57,884,160 acres of arable land in the province only 22,549,669 acres are under cultivation. This spells opportunity—opportunity for those who are seeking farms; for those seeking to invest capital in agriculture or industry, or in provincial and local community bonds.

AGRICULTURE

Saskatchewan raised 333,898,878 bushels of grain in 1920.

Saskatchewan exported 100,000,000 bushels of wheat in 1920.

Saskatchewan's dairy products in 1920 from her forty-five creameries were valued at $23,043,048.

Saskatchewan has more horses than any other province in the Dominion of Canada.

Saskatchewan ranks high among the provinces in the number of cattle; mixed farming, that great source of agricultural wealth, is rapidly increasing among Saskatchewan farmers.

Saskatchewan is attracting the better class of immigrants, and its farmers are experienced agriculturists, capable of adding the utmost to the provincial wealth.

PROVINCE OF SASKATCHEWAN

FINANCIAL STATEMENT

PUBLIC DEBT: As at October 31, 1920.		
GROSS DEBT		$ 41,549,480.87
Less debt created for utilities, etc., which carry public debt charges	$20,808,801.52	
SINKING FUNDS created for the redemption of debt incurred for purposes other than utilities, etc.,	1,324,442.30	22,133,243.82
NET DEBT		$ 19,416,237.05
Debt per Capita: Gross $49.86. Net $23.30		
PROVINCIAL ASSETS: As at April 30, 1920		$ 75,504,032.78
Lands and Buildings	$10,808,683.47	
Public Improvements	7,500,414.26	
Utilities and Investments	52,329,334.20	
Cash in Banks	2,539,467.03	
Sinking Funds	2,326,133.82	
REVENUE—For fiscal year 1919-20		9,903,885.37
Dominion Subsidy	$ 1,753,075.00	
EXPENDITURE—For fiscal year 1919-20		8,800,733.05
PROVINCIAL RAILWAY GUARANTEES		28,582,011.99
The Canadian Northern Railway and The Grand Trunk Pacific Branch Lines are now part of The Canadian National Railways.		
GUARANTEES—Given in advancement of Agricultural interests		4,362,343.79
OTHER GUARANTEES		11,000.00
ESTIMATED ASSESSABLE VALUE OF ALL PROPERTY WITHIN THE PROVINCE		$1,500,000,000.00

A. PERRING TAYLOR,
Deputy Provincial Treasurer.

INDUSTRY

Saskatchewan is a province of great industrial potentialities.

Saskatchewan has white clays suitable for the manufacture of tableware, stoneware and pottery, refractory clay for fire brick and tile and building brick; coal, oil, timber and other valuable natural resources in abundance.

Saskatchewan has openings for industrial establishments in every line.

Saskatchewan has a Provincial Government Bureau of Labour and Industries, which is prepared to furnish analyses, facts and suggestions toward helping industries establishing in the province.

Saskatchewan has with its 800,000 people a vast purchasing power that will insure success to any sound industry established within the province.

Saskatchewan has three transcontinental railroads and a network of branch lines of 6,172.22 miles.

MEMBERS OF THE GOVERNMENT

Hon. W. M. Martin—Premier, President of the Council, Minister of Education, and Minister of Railways.
Hon. W. F. A. Turgeon—Attorney-General.
Hon. A. P. MacNab—Minister of Public Works.
Hon. George Langley—Minister of Municipal Affairs and Minister in charge of Bureau of Public Health.
Hon. C. A. Dunning—Provincial Treasurer and Minister in charge of Bureau of Labor and Industries.
Hon. S. J. Latta—Minister of Highways and Minister in charge of King's Printer's Department.
Hon. W. E. Knowles—Provincial Secretary, Minister of Telephones and Minister in charge of Office of Superintendent of Insurance.
Hon. C. M. Hamilton—Minister of Agriculture.

Province of
SASKATCHEWAN
Legislative Buildings - - - REGINA

FOOTWEAR AND LEATHER TRADES HAVE SUFFERED

Every Branch of Industry Has Felt the Buyers' Strike

CONDITIONS DEPRESSED

Normal Conditions Will Not Be Reached Again Until the Attitude of the Public Changes

By T. E. TURNER,
"Footwear" in Canada.

The year 1920 has been one of chastening and purging for industry, in general, and the footwear and leather industry has been no exception to the rule, but has, perhaps, borne a heavier chastisement than most. Every branch of the trade—and every individual concern in every branch—has felt the severe jolt which followed the application of the brakes on expenditures by the buying public. It was in the hide market that the first indications of the coming depression were felt, but before long this was reflected in the retail end of the business in the curtailment of purchases by a small percentage of far-sighted merchants. Already at the beginning of 1920 the handwriting was upon the wall, though the majority of retailers were unaware of it, so optimistic was the general tone of trade, and so ready were the public with their money. Tanners and shoe manufacturers undoubtedly anticipated a period of dullness, but it is very questionable if many of them were prepared for such stringent conditions as have arisen. Many plants have been shut, and those that are operating have greatly curtailed their production. Demand is still stagnant and until the public "loosens up" again the industry cannot return to a normal condition.

A brief review of the present situation in each branch of the footwear and leather industy will be of interest.

The Hide Market

Hide dealers describe the year 1920 as a disastrous one in the history of their business. There has been a rapid and almost uninterrupted decline in prices, while the business transacted has been negligible. It was when the Canadian embargo upon hides was enforced in July, 1919, that Canadian dealers first began to see indications of the coming depression, and from that time forward the trade declined, though it was not until the present year that the effect upon prices became so marked.

Packer hides a year ago were worth 45 to 47 cents a pound, while to-day the quotations are 12 to 13 cents, and these are merely nominal, as there are not sufficient sales being made to establish a market price. This decline has been spread over the twelve months, but it may be said that there were three levels or buying periods—in the spring the quotations were 40 to 44 cents, and in the early fall 22 to 24 cents, while the present quotations of 12 to 13 cents mark the low point of the year. All through the summer very few sales were recorded, and up until the fall, when a little business was done at the 22 to 24 cent level.

Chicago, of course, is the centre and barometer of the hide market, and latterly, with the exception of the week of November 30—when one million hides were moved—very few transactions have been reported. This spurt around the beginning of December was merely an artificial stimulation of the trade, and when it died down it left business in practically the same condition.

The drop in the price of calfskin has been even more marked. To-day they are quoted at 12 cents to 14 cents for veals, with very few sales being made. This represents a reduction of about 80 per cent. from December, 1919, when the average price was around 65 cents. Spring saw calfskins quoted at from 45 to 50 cents, and they have been falling off ever since.

Tanning Industry

The conditions in the tanning industry are, of course, reflected to some extent in the state of the hide market. Tanners ceased buying hides because the shoe manufacturers ceased buying leather, and most of them found themselves with large quantities of leather in their warehouses and in process which could not be liquidated at existing prices. This condition began to make itself felt early in the year and became aggravated during the summer, and reductions in prices did not help much in relieving the situation. The tanning trade in Canada, however, being composed of a small number of powerful organizations, is in a stronger position to meet such a period of stress than any other branch of the shoe and leather industry. The sole leather tanners were less severely affected than the upper leather men, due to the fact that they had still an outlet for their product to the shoe repair trade, and then, too, as the demand from the manufacturers decreased the demand from the repairers increased, though not, of course in the same proportion. In this way the sole leather men have been enabled to keep their plants operating and to prevent anything like a crash in prices, such as occurred in the hide market. Sole leather has been reduced from 18 to 20 per cent. in price to the manufacturers up to the present time.

The tanners of calfskin and other upper leathers were placed in a more difficult position. When the demand from the manufacturers ceased they had no other outlet and were forced to practically cease production. One of the most prominent of Canada's calf leather tanners recently described the situation as follows: "For the last three months the production has been very limited indeed and as the raw material is the only thing that has been reduced in price the present reduction in upper leather prices would seem to be quite the limit, with the increased cost of labor, freight, sales tax, express, and various other Government taxes, that could be expected. We feel that prices have got to the bottom and any demand, which certainly must come at an early date, will strengthen the leather position immediately." This estimate of the situation appears to be a just one, as the reductions in upper leather prices have been as high as 50 per cent.

One factor that has had a profound effect upon the tanning industry, as a whole, is the practical cessation of export trade. Great Britain is glutted with leather and shoes, according to trade reports, and other European countries cannot afford, in view of the exchange situation, to buy any quantity of goods from this side of the Atlantic, while in the United States the conditions are quite similar to those existing in Canada. There seem at the present time, however, to be some signs of the domestic market brightening.

Shoe Manufacturing

The shoe manufacturers of Canada to-day are waiting, anxiously waiting, for a renewal of demand from the retail trade. Several large plants have been shut down, and those that are operating are, for the most part, running to very limited schedules. It is noticeable, however, that the majority are making a determined effort to keep their organizations together and to hold as many of their employees as possible. Export trade is, of course, practically dead, and it is just a question of marking time until the retailers are ready to start buying again. The wholesale prices of shoes have been considerably reduced, but there is a wide variation in the decreases, anywhere from 10 to over 30 per cent. Most manufacturers are willing to accept orders for spring goods on very narrow margins of profit.

One of the most disturbing factors in the industry has been the cancellation of orders and the sale of cancelled goods at cut prices. As far back as the beginning of the year, and even prior to that, cancellations had been received by the manufacturers—the first signals of the coming depression. But demand continued quite active during the first few months of the year. It was in the latter part of May that the critical nature of the situation began to make itself apparent to all. Demand had fallen off, and cancellations were becoming very numerous. Retailers who had ordered heavily for fall had a change of heart, and suddenly came to a realization of the necessity of decreasing their stocks, with the result that the manufacturers found themselves burdened with heavy floor stocks for which they had no outlet. As a consequence, sales of cancelled goods were initiated and widely advertised, and retailers and job lot dealers who had cash to offer were able to buy very cheaply. This condition, of course, reacted to the disadvantage of the legitimate retailer, and cut price sales became fairly general all over the country—particularly in the larger cities.

The Retail Trade

The main efforts and energies of retailers throughout the Dominion are directed at the present time to the reducing of stocks. While there is a tendency in certain quarters to accuse the retailer of holding up his prices, and thus damming up the industry, the claim does not seem to be justified by the facts of the situation. Some retailers may hold up their prices, but they cannot hold up trade because of the number of cut-price sales which have been carried on. Many retailers, indeed, appear to have reduced their prices lower than replacement values, and lower than good business policy would dictate.

It is difficult to make an accurate calculation of how retail stocks now stand, but it may be said that, despite the widespread complaints about the dullness of trade, there is a fair percentage of retailers whose turnover during the last six months of 1920 will equal, or exceed, that of the corresponding period of 1919. Business, of course, on the whole, is not what it was, nor what it ought to be, but it is not as bad as is generally believed. The great trouble has been that a great many shoe merchants were heavily overstocked. Each season, while the prices were rising, they bought in increasing quantities, in order to take advantage of the market, oblivious of the fact that a reaction was bound to come. When it did come they were caught, and found that their peak-priced stock was steadily depreciating in value. Some found that the same goods which they had on their shelves were being sold at less than they actually paid for them. The sales of cancelled goods have hit the whole trade rather hard, and are manifestly unjust and injurious to the retailer who did not cancel his orders. As usual, the innocent are suffering with the guilty.

The Luxury Tax

The luxury tax was a thorn in the flesh to the shoe merchant while it was in force and was without doubt irritating to the consuming public. The matter of its removal was taken up very vigorously by the National Shoe Retailers' Association, whose representations were probably influential in some degree in bringing about its demise. It must be admitted, however, that the tax did have the effect of bringing home most forcibly the necessity for lower prices.

The reductions in retail prices have covered a wide range, all the way from 10 up to 40 and even 50 per cent. This latter condition is abnormal, however, and it looks as if a stable basis of about 25 per cent. would be established early in the year. In general, it is probably safe to state that the better class of merchants have simply marked down all their goods on the basis of replacement values. There are some who cannot stand this depreciation and will be forced to the wall before the present period of stress has ended. These are the dealers who, on the rising market, did not set aside a reserve against the day of reaction.

This neglect to provide a proper reserve and the buying mania which has resulted in abnormal stocks are the rocks of offence upon which retailers are coming to grief. Far-sighted merchants are in good shape and easily able to cope with the situation, but the blind and blundering dealers who, because they made money during artificial prosperity in war-time, thought they could never lose it again will simply be weeded out of the business entirely.

As to the future, spring and summer will probably find conditions in the trade fairly normal and little change in prices, unless retailers refuse to buy their requirements gradually, wait until their stocks are depleted, and then all come in together. Should this condition arise, it is almost certain to cause an upward reaction in prices, as manufacturers have their staffs trimmed as low as possible, and will be unable to take care of a sudden demand. The probability is, however, that there will be some buying done within the next couple of months and that the demand will be fairly well distributed. Once the retailers are in a position to purchase goods and begin to place orders the industry will gradually return to a normal and healthy condition.

THE MOVEMENT OF WHEAT TO STATES HELPS FARMERS

Continued from page 33.

to November 30. That is, the actual value at Fort William has been worked out for each grade according to the average price for each month.

This table shows that in August 1,087,475 bushels were inspected at a total value of $2,923,870.96, or an average value of $2.68⅞. In September the amount inspected was 20,979,150, with a total value of $56,015,926.71 and an average value of $2.67. In October the inspection was 38,137,700 bushels, showing a total value of $86,553,535.87, or an average value of $2.26⅞. In November the amount inspected was 34,944,800, with a total value of $70,010,188.37, or an average value of $2.00½.

In the four months 95,149,125 bushels were inspected, which represented a total value of $215,503,521.92, or an average value of $2.26½. For the same period of 1919 the inspection had been 67,910,400; the total value, basis $2.30 for No. 1 northern Fort William, was $152,745,325.50, or an average value of $2.24¾. Therefore, up to November 30 of the present year 27,238,725 more bushels of wheat had been inspected than for the same period of 1919 and its value was $62,760,196.42 greater.

In the case of the 1919 crop, however, the value of the participation certificates was yet to come, while in 1920 the value at Fort William is practically the full value of what will be received for the crop. However, as no money from the participation certificates came into the West until the fall of the present year, the value of the 1920 crop would indicate that more money has circulated this year than last for the amount of wheat moved.

The value of the wheat at Fort William does not, of course, indicate the actual amount of money received in the West, the gauge of that is found more accurately in the amount of wheat shipped, for once shipped from the head of the lakes the West has practically received all that will come to it out of that portion of the crop. Up to November 30 of this year the amount of wheat shipped was 67,110,846 bushels, which at $2.26½ per bushel would mean $152,006,066, whereas the amount of wheat shipped in the same period in 1919 was 47,717,477 and its value $99,968,114.31½, so that the amount which came into Western Canada for wheat up to November 30, 1920, was $53,037,951.87½ more than for the same period in 1919.

Some Offsetting Factors

How much of this money has actually gone to farmers direct it is impossible to say, but undoubtedly the major portion has reached the hands of the producers, but those who are blaming the farmers for holding either wheat or money must bear in mind that while the farmers have received a larger amount of money, that is offset by the increase in freight rates, the exorbitant wages they paid for harvest and threshing gangs and the enormously increased charges for threshing itself. Slow collections and a more limited retail trade can be accounted for quite as much by these things as by any portion of the wheat which farmers may have held back from sale.

While the movement and money received for December has yet to be accounted for the great volume of movement was over by December 12 and prices have not been such as to add very materially to the amount of money coming into the country.

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BUILDING TOTALS FALL SHORT OF FORMER RECORDS

Toronto Leads Montreal in Building by Large Margin

FIGURES COMPARED

Operations in Each City Checked by Adverse Conditions Best Year Since Before War

A comparison of building in the two larger commercial centres of the Dominion, Toronto and Montreal, during the year just closed will be of interest. From statistics submitted below it will be seen that Toronto approached the figures for the record year, falling short by something under $2,000,000. In Montreal the decline was considerably greater. Montreal's figures were in excess of those of Toronto for one month only. The year was somewhat of a disappointment from the builders' standpoint. At the opening conditions were favorable, and predictions of a record volume of building were numerous. The costs of building proved an ever increasing handicap, and in the later months there developed an acute scarcity of money, which had the effect of deferring a large volume of building indefinitely that would otherwise be undertaken during the year.

The largest permit issued during the year in Montreal was $536,200 for the C. P. R. Augus shops; the next was a school for $348,000 and a second one for $326,800. Other large permits included $300,000 each for Famous Players' Theatre, and Berliner Gramophone factory; $250,000 Imperial Tobacco Co. storehouse; Allen Theatre $235,000; a third school for $222,000; a church for $200,000; and a group of 42 houses for $168,000. Taking the past year as a whole there was fair activity in factory and warehouse construction with a slight increase over 1919 in houses but the latter checked severely as the year wore on by labor troubles as well as high costs.

Among the larger permits issued in Toronto were the following: King Edward Hotel, addition, $2,000,000; Dunlop Tire and Rubber Co., $450,000; Baldwin's, Ltd., $200,000; Prest-O-Lite Co., $410,000; Lever Bros., $375,000; Canadian General Electric Company, $4,000; Canada Bread Co., $250,000; St. Michael's Hospital, addition, $185,000, and bathing pavilion for the Toronto Harbor Commission, $250,000.

The following table shows comparative building figures for Toronto and Montreal by months during the past year:

How Months Compared During 1920.

	Montreal.	Toronto.
January	$ 227,655	$1,469,330
February	151,740	1,462,768
March	1,559,486	2,062,747
April	2,858,165	2,137,908
May	1,695,658	3,138,605
June	2,440,935	2,663,863
July	1,105,785	2,640,004
August	1,836,350	2,180,000
September	1,350,740	2,180,000
October	725,576	2,884,372
November	612,810	1,816,937
December	*664,900	1,117,083
Totals	$14,350,855	$25,784,732

*First 28 days only.

A comparison of building in the two cities year by year since 1908:

	Montreal.	Toronto.
1908	$ 5,062,226	$11,795,436
1909	7,785,621	18,139,247
1910	15,715,859	21,127,783
1911	14,579,952	24,374,539
1912	19,408,690	27,401,761
1913	27,032,690	27,038,624
1914	17,638,446	20,694,288
1915	7,486,221	*6,651,889
1916	5,334,184	9,881,671
1917	4,387,638	7,163,556
1918	4,882,873	8,535,331
1919	10,033,901	19,819,436
1920	*14,500,000	25,784,732

*Estimated.

RECORD VOLUME OF TRADE IN 1920; BUT THE BALANCE WILL BE MANY MILLION DOLLARS AGAINST CANADA

Continued from page 33.

United Kingdom and nearly five times as much from the United States, the total imports from that country being close on to a billion of dollars. While the percentage of increase from the United States was less than thirty per cent., while that from the United Kingdom was about 105 per cent., the actual totals of the two trades were very widely in favor of the former country. Nevertheless, the United Kingdom is gaining ground. In the 12 months ending August, 1918, over 82 per cent. of our total imports were from the United States, while two years later this had dropped to a little under 70 per cent. During the same period Great Britain's share of the total rose from 7.8 per cent. to 15.9 per cent.

The distinction between quantities and values alluded to above is very properly recognized in the annual report of the department of Trade and Commerce for the current year. It is pointed out that, while, in normal conditions, export and import statistics expressed in values convey a pretty accurate indication of the growth of foreign trade, such a test is now very misleading. Although the adverse balance of trade has not begun to make itself manifest until after the turn of the fiscal year in March, the report emphasized the fact that, while the value of the exports for the fiscal year 1920 showed an enormous increase over the same period for 1914, the percentage of increase in quantities was very much lower. In the case of a number of commodities, there was an actual decrease in quantities, and in others (particularly in the metals group) in both quantities and values. Some illustrations of this important tendency are cheese, of which the exports increased in value over 92 per cent., but decreased in quantity 12.5 per cent.; codfish increased in quantity 0.7 per cent. and in value 101.8 per cent.; leather decreased in quantity 30.7 per cent. and increased in value 18.7 per cent.

Import Trade

As our imports now exceed our exports, detailed examination of them may come first We buy from countries abroad in the following order, only those from which the imports exceed $10,000,000 being noted: United States, United Kingdom, Cuba, France, British West Indies, British East Indies, Japan. With every one of those countries, with the exception of France, the balance of trade is strongly against us; and in the case of France we are rapidly decreasing exports and increasing imports. Many will probably be surprised to see Cuba occupy the position it does in our imports. Practically the only article we buy from Cuba is sugar, but in the six months ending September 30th this year we bought nearly $23,000,000 worth. Of our total imports of sugar and molasses for the year, amounting to $87,470,000 nearly $35,000,000 worth came from Cuba.

Although Canada claims to have a large proportion of the world's coal, the fact remains, nevertheless, that she had to import $90,000,000 worth, while her exports were only about one-fifth of that value. Imports of bituminous increased from $31,365,197 to $54,334,442; and of anthracite from $31,396,438 to $36,064,773. About three-fourths of the total imports of coal are for Ontario, and there appears to be no way of lessening them, as the transportation problem from the coal fields of the Maritime Provinces and the West cannot be overcome. An illustration of the striking difference between land and water transportation is found in the fact that coal has been shipped during the year to Europe from both Nova Scotia and British Columbia.

The biggest single item of imports was iron and steel, of which we imported nearly $208,000,000 worth, or $57,000,000 worth more than last year. Of our total imports of iron and its products, which amounted to nearly $251,000,000, over $234,000,000 came from the United States. Here, as in coal and so many other articles, Canada seems to be failing for one reason or another to utilize her natural resources.

Next in value of imports came cotton, the imports of which amounted to nearly $128,000,000 worth, being an increase over the previous year of over $57,000,000. While Canada can never produce any cotton, she might produce wool, which could be largely used instead, as it was in the earlier years of our history; but the facts are that we actually imported $87,400,000 worth of wool and its products, of which large proportion was wool or yarns. Nothwithstanding the luxury tax, it took the importation of over $40,000,000 worth of silk and silk products to satisfy the Canadian demand. The importation of this article has nearly doubled since 1918.

There seems to be no doubt that Jack Canuck is cultivating a sweet tooth. It is this, almost altogether, which has put Cuba third on the list of countries from which we import. In sugar and molasses our imports have jumped from $35,311,580 in 1918 to $87,470,377 in the present year. It is said commonly, and apparently with some degree of truth, that the candy shop has to a large extent taken the place of the saloon in Canada. Our exports of confectionery seemed to have made a start during the war, as they amounted to over $2,600,000 in the six months ending September 1919 nearly all to the United Kingdom. The trade, like so many others begun in war time, has apparently been lost, the exports for the same period in the present year being less than a third of that amount.

An examination of the list of over fifty classes of imports listed by the Dominion Bureau of Statistics shows that there were increases in imports in all but four. Imports of articles for the army and navy, the principal one on the list, dropped from nearly $8,000,000 to $305,704. This has figured pretty largely in our imports for several years past and the fact that it has now practically disappeared makes the increase in imports even greater by about seven and a half millions than it seems. Imports of butter decreased from $675,908 to $419,443. The biggest item of decrease in imports was meats, which dropped from $19,545,042 to $10,917,366; but this is still nearly five millions over the imports for 1918. There was a drop of about $100,000 in zinc imports and of nearly three millons in "vessels and parts thereof"—possibly accounted for by the fact that Canada is now rolling its own plates.

Exports

It is rather interesting at the present time to turn back to the various reviews and predictions of trade issued by various Canadian publications at the first of the year 1920. There was a distinctly hopeful note struck in nearly all of them. Out of a number of such before me, I select that of Mr. Lloyd Harris, because he has probably a better knowledge of the subject than any other Canadian. Mr. Harris dwelt particularly on the opportunities in agricultural products, animal products, timber, pulp and paper, fish, and manufactured goods, pointing out the great extent to which trade in such commodities might be extended. In wood products, pulp and paper, and grain his expectations have been fulfilled. It has been left to wood and its two by-products, pulp and paper, wheat and oats, to bear the burden of our exports. The exports of unmanufactured wood have increased from $89,791,456 to $123,736,504 since last year and the increase since 1918 has been over 100 per cent. Pulp and paper both increased over 50 per cent. in values, although the increase in quantities has been relatively much smaller. Wheat and oats showed over fifty per cent. increase in quantities and an even greater increase in values. But in animals, butter and notably in meat products, there were heavy decreases in both quantities and values.

This big decrease in animals and meat products is one of the most unpleasant features of our export trade. Figures issued by the live stock commissioner show that the decrease in live cattle exports was nearly 400,000 while the exports of beef show a decrease of more than 18,000,000 pounds. The estimated decrease in cattle exports expressed in terms of dead meats was nearly 150,000,000 pounds, making the total decrease in meat exports of about 167,000,000 pounds.

Exports of bacon have fallen in value from $74,000,000 to $40,000,000 and in quantity from 217,000,000 to 139,000,000 pounds. It is asserted that the Canadian bacon industry which it has taken over half a century to build up, is being destroyed by the fact that the British Government is maintaining the controlled price on it, because of the fact that the British Food Ministry has over-bought American bacon. English and Irish bacon have been free from control for nearly a year.

Mr. Harris also mentioned fish as a favorable product for export. The statistics show that fish exports have decreased during the year over six million dollars in value.

Finally, such manufactured products as leather, iron and steel, textiles, flour, etc., all show declines — some of them, notably flour, very heavy declines. Only about half the number of barrels of flour were exported in 1920 compared with the previous year.

There are difficulties in the way of the export trade which must not be overlooked. The Canadian Manufacturers Association mentions among such the exchange situation, and the decrease in production because the increase in freight rates in Canada have restricted sales here; but it adds that there are now over one thousand Canadian manufacturers doing an export trade, as compared with only two or three hundred before the war.

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A NEW ERA AND NEW CONDITIONS BRING NEW OBLIGATIONS TO MEN IN CANADIAN BOARDS OF TRADE

Ideals and Service Must Keep Pace With the Development of the Country Which Widens Field of Effort

STABILIZING FORCES URGENTLY NEEDED

Organizations, Like Individuals, Must Progress and Boards of Trade Must Enlarge Their Interest in National and Community Social and Political Problems

By A. E. McKENZIE,
President Brandon Board of Trade.

This age is pre-eminently an organization age. In no previous period has organization played so important a part in the life of a country as it does to-day, whether socially, commercially, industrially, or politically.

As an organization, the Board of Trade in Canada is not a national body as in Great Britain. Perhaps its name suggests limitation of scope and activities, but this is due to a narrow conception rather than existence in fact.

Many of the most potent public service organizations attribute their origin to almost a single idea. In consonance with the development of our national life their scope has been greatly widened beyond the original idea of their founders. This is true of the Board of Trade.

Representative and Influential

The Board of Trade is one of the most composite and influential of all our nation wide voluntary organizations. Comprised in its ranks are representatives from every branch of commerce, industry and finance. Here representatives of agriculture and labor find honorable and coequal recognition, each constituting an important element of the organization. The growth of this latter representation in the membership has been more marked in recent years. There are also those representing all sections of the honored professions, whether they be law, medicine, education, or the Christian ministry. In these various groups are the captains of the nation's enterprises and development. The artist and artisan are bearers of the same ensign, and are united for a common purpose, i.e., public service.

We live in the dawn of a new day. One can only anticipate what the effulgence of this new day shall develop. As we stand on the threshold of this new era, is it possible that there are those who are unconscious of its arrival, who as if in a subconscious dream believe they live, and yet who in the new order of the industrial life of the nation are potentially dead? Alas! there are such.

Our New National Problem

What are some of the signs of the advent of this new era? One need only check back so short a period as five years to recognize nation-wide changes. We are all thinking in terms different from what we did previously. There is in process of development a new national idealism, new social and economic problems, new political developments, a greatly increased national debt, and the consequent reflex action of these conditions penetrating every element and fibre of our national life. These significant changes introduce very grave problems, the character of which has not confronted Canadian citizenship since the confederation. Be it observed, however, that statesmanlike handling of these complex problems, coupled with a spirit of fairness by the leaders representing different views, means the gradual evolving of a better future for all the people.

There has never been a period when the application of stabilizing and constructive forces of thought were more urgent. Is he a true patriot who sees possible danger and yet withholds active support from agencies which have as their ideal true national development, justice, the recognition of law, the security of the state, the uplift of the masses to a happier condition, and a fuller recognition of the principles which make for righteousness?

Board of Trade's New Place

It is a fair deduction that if the foregoing, in a measure, characterizes this era, then the scope and activities of a Board of Trade automatically become enlarged. These activities must be projected so as to more vitally benefit society, they must more closely touch the welfare side of the life of the community. A new era with new conditions defines new obligations and fixes new boundaries in the field of service. A Board of Trade which does not relate itself to the problems which naturally arise in this period should lay no claim or right to existence amidst a community in which it ceases to function. It is fundamental that organizations, like individuals, cannot refuse to follow in the line of duty without suffering declension. The ideals and service of Boards of Trade must keep pace with the developing era.

It is easier to travel the beaten path than to blaze a new trail. The familiar excuse "There is no precedent," has stifled many a good intention and killed the introduction of many a new idea. The birth of new ideas and their practical application are the stimuli which should be made use of by a Board of Trade. Every new discovery, every birth of a new idea should be matters of almost paternal interest to a progressive Board of Trade whose special opportunities for service should be to facilitate a rational and expeditious development and thus aid applications to public use. A test of strength is not only the ability to see new responsibilities, but also the enlargement of its capacity to work constructively.

Spiritual Service Requisite

Differing from a city council, the Board of Trade is not a legislative body. Unlike a school board it is not administrative. A Board of Trade functions more in a deliberative sense. Problems relating to public service corporations such as railway companies and their freight rates, train schedules, telegraph companies and their service, etcetera, these while important no longer chiefly comprise, as formerly, the agenda of a live Board of Trade meeting. It is becoming more apparent that a broader service must be discharged. Shall we say that a more spiritual service to the community is requisite? The service must proportionately be more intensive as our national problems become more complex, whether said problems be industrial, economic, social or educational. It may be stated that it is not the function of a Board of Trade to participate or to act as arbiter in a dispute between labor and capital. With equal emphasis it may be said that it is essentially the duty of a Board of Trade to act along lines which will have the effect of instituting better conditions not only in industry, but in other departments of community and national life.

Both the local community and the state have the right to demand that the service rendered shall be of the very highest order and it may be said that nothing less should be offered. As in other departments of life so it is in a Board of Trade, i.e., the character and scope of the service is in a large measure dependent upon the personnel of the men who give leadership to its activities supported by the intelligent co-operation of its membership.

Take Part in Public Affairs

The day of the old time politicians and their methods has largely disappeared, probably never to return. Inasmuch as these men are well nigh removed from public affairs, can a more pertinent question be asked than what manner of men shall take their places?

There is need for greater participation in public affairs by the leaders of commerce and industry. Every business man should give this subject serious consideration. The problems of our country constitute a stronger claim for public service upon the individual citizen than ever before. It is no less than imperative national duty and nothing except most cogent reasons should excuse. One of the essentials of the present period is that there should be less theory and more practical knowledge. On the part of business men the giving of public service will mean a surrender of personal choice and may possibly involve real sacrifice, but this price must be paid if our national life is not to suffer. It is being more clearly recognized that everything that takes place in the community is of interest to the business man and that he is, or should be, first of all a citizen. At no time in the history of the Dominion has wise counsel and the application of sane principles been so essential to the solution of our problems and the greater development of Canada.

There is a distinct lack of men who are well informed on essential subjects. It is incumbent upon members of Boards of Trade to be better informed on subjects aside from their immediate business. Higher qualifications can only be gained by forming habits of selective reading and deeper study. With the new era comes the insistent demand for more intensive preparation and higher personal attainment.

During the past five years, municipal, provincial and federal financial indebtedness has enormously increased. The effect of these new conditions greatly increases the burdens of the men who are endeavoring to serve in our municipal and governmental bodies. Boards of trade should co-operate in every way possible to make the efforts of our public representatives a success.

Too frequently some of our ablest and best men have been ruthlessly sacrificed on the altar of public service from sinister and political motives. On this account men capable of rendering inestimable services have been lost to our country. It is the duty of a Board of Trade to cultivate a greater spirit of fairness and chivalry toward our public men, to assist in developing leadership in public affairs, as well as in commerce and industry.

Co-operation Also Essential

The Boards of Trade of Western Canada should not consider themselves as separate organizations, but indissolubly connected with every other board. In dealing with interprovincial problems, local or purely provincial interest must not be guarded too zealously. Let us be Canadians first. In view of the high standing a Board of Trade has and should increasingly develop in its community, care should be exercised to apply sound judgment to all problems which are submitted to review if the greatest service is to be rendered. The duty of a board does not always terminate with the passing of a resolution.

There never was a period when the colonization of our unoccupied lands was as imperatively a national duty as it is today. Canada possesses soil of great fertility, railway and steamship lines to carry increased production to the markets of the world, and all other facilities for comfortable and successful settlement as compared with earlier years when railways and other requisites for the new settler were so deplorably lacking. To secure increased productions and pay off our national indebtedness, we must have more people and more settlement of lands. Boards of Trade should co-operate with all agencies that are wisely undertaking this part of our national service. In Western Canada, agricultural development is an indispensable precedent to the building of our cities or the extension of industrial enterprises. The future prosperity and development of Canada is dependent in a large degree upon the adoption of progressive policies of colonization.

Natural Potentialities

Do we, as Canadians, appreciate how great the potential wealth of this fair Dominion is in respect to natural resources? Consider our almost unlimited areas of agricultural lands capable of producing untold quantities of grain and the raising of live stock, the riches of our mines not only in coal, but of iron ore, copper, other precious metals, gas, petroleum, our forest reserves in the production of lumber and pulp, our fisheries and extended northern region in the production of furs. Canada possesses in rich abundance many of the leading natural products requisite to the development of a great nation. The establishment of a "Bureau for Scientific Research" in connection with the natural resources on the part of some of the provinces is a step in the right direction and worthy of being undertaken by all the other provinces, provided the Dominion Government fails to initiate a more progressive policy than at present adopted. The very existence of these undeveloped natural resources places increased duties and burdens on Boards of Trade.

The time has come in the history of the Western provinces of Canada when there should be more productivity from manufacturing. Simply because the West has been largely dependent for the past forty years upon Eastern Canada and foreign countries for manufactured goods, is not in itself a sufficient reason for uninterrupted continuance. Wealth which is produced in the West should, as much as possible, be retained in the West to develop this section of Canada. The Canadian West possesses one of the prime essentials requisite to successful manufacture, i.e., the availability of raw materials. The achievements of Canadian manufacturing plants during the war has given added proof that, with equal opportunity, the Canadian mechanic is as capable and efficient in manufacturing as the men of other nations. The future outlook is very promising. One would be safe in predicting that the growth of manufacturing which will take place during the next two decades will surpass the most sanguine expectations. In no preceding period have manufacturers east of the Great Lakes been more favorably disposed to consider the extension of their manufacturing operations in the Canadian West.

East and West

It is important that closer relationship and better understandings should be fostered between the East and the West of this great Dominion. Anything which will contribute in a practical way to such a happy consummation should be allowed liberal scope for its realization.

Since the war, it is apparent that there is not the spirit of unity among the various groups or classes of the people that there should be. One would naturally expect considerable dislocation and unrest resulting from the war and from general world conditions. The facts are, however, that these conditions are more aggravated and menacing than the real situation justifies. The application of speculative economic theories are not the solution of present conditions. It must not be forgotten that nothing will take the place of frugality and persevering industry. There is ample evidence to show that carefully studied propaganda has been organized to cultivate class consciousness and to foster schism in the delicate fabric of our national life to an extent entirely inimical to the best interest of all the people. That present conditions can be materially improved is encouraging. Sane policies and fairly broad understandings should be generally accepted by the various classes of citizens in their relation to each other. No plea is more urgent than for a greater spirit of tolerance and a more sincere attempt upon the part of each section of the people to study and endeavor to better understand the problems of the other. It is the duty of all to cultivate more earnestly the spirit of brotherhood, thus only can Canada expect to truly succeed and become a great nation. What is required in Canada at the present time is a contented and a united people. To this end Boards of Trade should take their full share of responsibility.

1870 1921
An Investment House of Fifty Years' Standing

Government, Municipal, Corporation and Industrial Bonds, Yielding 5¾% to 7½%.

Railway, Public Utility, Bank and Industrial Preferred Stocks Bought and Sold at Market Prices.

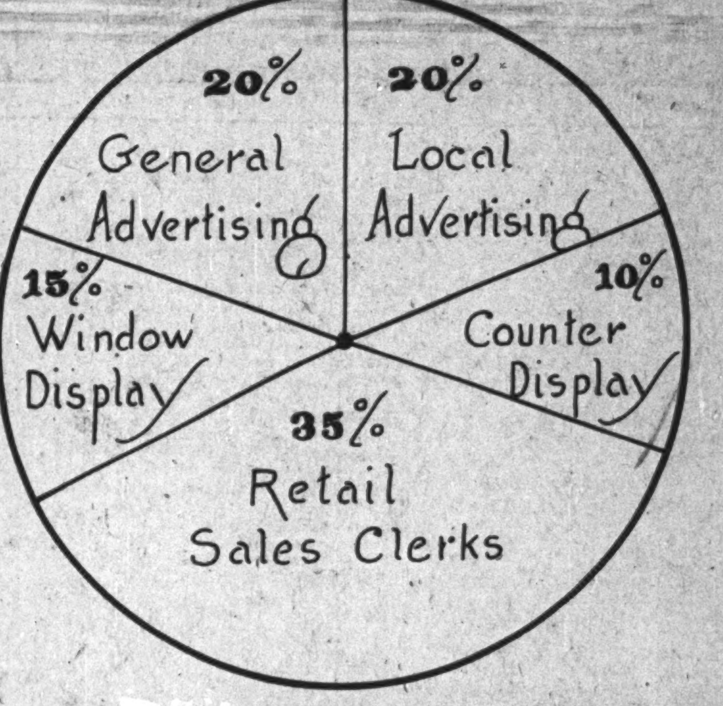
Correspondence Invited. Information Freely Given.

JOHN STARK & CO.
Members Toronto Stock Exchange
504 and 505 Royal Bank Building, Toronto

DOMINION
Savings and Investment Society
CAPITAL - $1,000,000.00
Highest Rates Paid on Deposits and Debentures

FIDELITY
Trusts Company of Ontario
Managed in Connection with This Society
Acts as Assignee, Executor, Trustee, etc.

LONDON - - CANADA



Four-fifths is Dealer Interest

Advertising Must Be Married to Sales

Study the chart reproduced above for a moment. It is a graph of the conclusion of the manufacturers referred to in the editorial we reproduce from "Printers' Ink."

Note that 80 per cent. of the successful marketing of the product centres on the dealer or merchant—his display—his advertising — his window — in fact his whole co-operation with the selling plan behind the product. Let us suggest how you can get this 80% working full time for you.

A group of executives in a manufacturing drug concern, sitting around the luncheon table, got into a discussion of the part played by the general advertising in the marketing of their product.

They finally agreed upon a rough conclusion that the advertising factor had a valuation of 20 per cent. in the cycle of selling influences; the local advertisement of the druggist, backing up the general advertising, another 20 per cent.; window display, 15 per cent.; counter display, 10 per cent., and the efforts of the clerk behind the counter, 35 per cent.

These figures may not be literally correct, but the discussion illustrates a fundamental principle of general advertising; namely, that it is only a segment of the circle, not the whole, and without the supporting elements it cannot succeed in full measure. To repeat in another form what has been said so many times, the advertising must be married to the sales plan, and the two work harmoniously in conjugal harness.

It is the lack of recognition of this fact which is frequently responsible when advertising is set down as a failure. Just as an example, a manufacturer of machinery sets out to cultivate new markets outside of his regular field of selling activity. He advertised vigorously and well, but did nothing in the way of putting on specialty salesmen to work the new trade or to direct the efforts of his regular selling force to work with the advertising in any way, except to follow the direct inquiries received. These were considerable, true, but not in themselves enough to pay for the advertising. And after a time he withdrew the publicity, feeling that it was not suited to his proposition. The failure was not in the advertising but in the selling plan.

There are many propositions in which advertising alone may do all the work, but for most, success lies along the line of tandem running—advertising co-ordinated with sales and sales with advertising.

THE MACLEAN PUBLISHING CO., LIMITED
TRADE NEWSPAPER DIVISION

PUBLISHERS OF
The Financial Post
Druggists' Weekly
Sanitary Engineer
Bookseller & Stationer
Hardware & Metal
Canadian Grocer
Dry Goods Review
Men's Wear Review

All MacLean Papers are Members of Audit Bureau of Circulations.

MANY NEW PLANTS BUILT IN CANADA DURING THE YEAR

American Firms Established Branch Factories in Many Cities

REPORTS OF PROGRESS

Cities From Coast to Coast Tell of New Establishments of the Abnormal Year Just Closed

Despite very high building costs and restricted money conditions, industrial progress in many Canadian cities was very marked during 1920. Plant extensions and establishment of new industries and branch factories were very important during the year.

Of the events of the year, one of the most important was the continuance of the invasion of the Canadian industrial field by American manufacturers. Of the new plants put up in Canada during the past year, a large proportion were Canadian branches of American firms.

Reports received from boards of trade throughout Canada tell of the progress made during the year:

ST. JOHN, N.B.—Marked progress has been made along one important line of industrial activity on this locality during the past year, viz., the dry dock and port development at Courtenay Bay, East St. John. The chief purposes of this development are to provide St. John with additional port facilities, supply it with one of the largest dry docks in the world, and at the same time furnish the Canadian National Railways with adequate terminals.

Adjacent to Courtenay Bay further industrial promotion is about to be developed, including the establishment of a mill for the manufacture of fibre cases and also a pulp mill. These industrial works will be established by a corporation, of which the principals are the Clarke Bros. firm of Bear River, N.S.

THREE RIVERS, QUE.—Three Rivers has taken a long step forward, with the coming of a new plant, the Three Rivers Pulp and Paper Co. The capitalization of this latter company is set at $4,400.000. It has contracted for a plant costing a million and a half, which, when completed, will employ approximately 5,000 men and have a capacity of 200 tons daily.

WOODSTOCK.—During the past year a Canadian branch of the De Long Hook and Eye Company was established here. Also the Kennedy Car Liner and Bag Company purchased the William Stone Company factory. The newly organized Karn Piano Company commenced operations in the Karn factory. A few days ago arrangements were completed with the American Ironing Machine Company, Chicago, to establish their Canadian branch in Woodstock. They anticipate operating their plant here about March 1st, and will make Woodstock their head office for Canada.

ST. THOMAS, ONT.—The Thos. A. Edison, Inc., have purchased the plant and buildings of the St. Thomas Cabinets Limited, comprising about one hundred thousand feet floor space, to which they will add two large wings next year, and this company, which will be known as the Canadian Edison Phonographs, Limited, will begin operations about the first of the year.

Hutch Bros., of Canada, manufacturers of wooden vehicle toys, and the Universal wallpaper hanger, and the Provincial Machine and Supply Co., manufacturers of phonograph hardware, were incorporated about the first of the year, and are now both under production.

KITCHENER.—Among the larger additions to industrial plants is that of the Lang Tanning Company, Limited, who are spending about $200,000 on buildings and equipment. The Kaufman Rubber Company, Limited, has under erection a five story addition to its big factory, which addition would make a substantial industry of itself. The Dominion Tire Company, Limited, has erected building and equipment the present year which, when completed, will have cost nearly half a million dollars, and their daily output of automobile tires and allied products has reached mammoth proportions.

The Ames-Holden McCready System completed this year the automobile tire factory begun late last year, and will shortly have reached the quantity production stage in that line.

BRANDON.—The Imperial Oil Company has commenced operations to erect a $350,000 plant here, and their offices are already established in the city. The L. R. Steel Company has recently made a purchase of a large business in this city, and will open up January 1. It is also stated that the Grain Growers Limited will place a large plant here for distribution purposes in the West. Several other smaller concerns have located here during the year, and the prospects for a large number of manufacturing plants coming here in 1921 are very bright.

CHATHAM, ONT. — During the year 1920 Chatham has located two industries, one of which moved here from another town, and the other, a new Canadian corporation, in which American interests are largely concerned. The first company is making knit goods, while the latter is putting on the market a new furnace, modelled after a very popular and wide selling furnace in the United States.

OSHAWA, ONT.—During the past year Oshawa has made wonderful steps in industrial development. General Motors have added considerably to their plant, which now includes the Oldsmobile Motor Co., in addition to the McLaughlin and Chevrolet plants and the Samson Tractor. Pedlar People have moved into their spacious new plant, one of the finest in the province. W. J. Trich & Co. are rebuilding their planing mill and woodworking factory.

The Moffatt Motor Sales have erected a fine new showroom for the display of their Oldsmobile cars. The new Theatre Paramount has opened a fine, up-to-date structure, seating 1,100 people. L. R. Steel & Co. will move into their new store in a few days. Ward & Dewland, dry goods merchants, are moving into a fine new store erected by Bradley Brothers. A 65-acre park was given to the town this year by General Motors Ltd.

WINNIPEG.—The year 1920 has seen substantial progress in the City of Winnipeg. Building figures for the year will run close to eight and a half million dollars. Not only is this the largest total since 1915, but it equals the combined figures of 1917, 1918 and 1919. Winnipeg's building totals for the first nine months of 1920 were equal to the combined totals of twenty other Canadian cities. Three large motion picture theatres have been erected in Winnipeg during the year, and operations have just been commenced on a six-story addition to the Olympia Hotel.

The total capitalization of the new companies established in the Province of Manitoba has already exceeded one hundred million dollars. Some of the larger industries established in Winnipeg during the year are: The Canadian Community Cut Glass Co.; Red River Pulp & Paper Co.; Western Film Mfg. Co.; Orange Crush Bottling Co., soft drinks; Tractioneer's Ltd., farm implements; Western Suit Case Mfg. Co.; Canada Fibre Products Co., hemp products; Winnipeg Motor Cars Ltd., automobile manufacturers; Picardy Candy Shops, Ltd.; Crown Broom Mfg. Co.; Martin's Limited, clothing manufacturers; Campbell Mfg. Co., clothing manufacturers.

The Winnipeg River Power Company, a subsidiary of the Winnipeg Electric Railway Co., has worked during the year on the first unit of a $10,000,000 power plant on the Winnipeg river.

STRATFORD.—In the past year the Canadian Edison Appliance Co., Ltd., and the Gerlach-Barklow Co., Ltd., both American plants, opened up Canadian branches in this city. The former manufacture all sorts of electrical appliances and is employing approximately three hundred hands. The Gerlach-Barklow Co., Ltd., manufacture high-class art calendars.

WINDSOR. — During 1919 forty-four new manufacturing concerns came in. Practically all of such industrial development emanates from the United States.

At present we are negotiating with no fewer than seventy-six American concerns, over a third of which have already intimated their decision to come here whenever conditions are more stable. In addition, we are working upon other eighty-six prospects which are shaping favorably in most cases, but are still in the preliminary stages and not yet in the "live" class which embraces the seventy-six first mentioned.

GUELPH. — The City of Guelph has made steady progress during 1920. Eight new industries have established themselves in the city, and are as follows: Moncrief Furnace & Mfg. Co., the Canadian branch of the Henry Miller Foundry Co., of Cleveland, Ohio; The Erin Casket Works; The Guelph Brass Works; The Federal Electric Washing Machine Co., being the Canadian branch of the Chicago firm; The Regent Textile Co., from Montreal; The Sherer-Gillett Co., from Chicago; The Shinn Mfg. Co., from Niles, Michigan; The National Standard Co., from Niles, Michigan. The Moncrief Furnace & Mfg. Co. are to erect a modern foundry building on their property acquired on the York Road. The Erin Casket Works, the Regent Textile Co., the Federal Electric Washing Machine Co., and the Sherer-Gillett Co. have all purchased existing factory buildings, which in nearly every case they have enlarged and improved.

OWEN SOUND.—Owen Sound is growing. During the past year several new industries have located here, viz.: The Clinton Knitting Co.; The Circle Bar Knitting Co.; The Grey Mattress Co., and Taylor Bros., jam factory.

HAMILTON.—During 1920 Hamilton has no reason to complain of its industrial growth. With the exception of 1919, it was probably the best year the city has enjoyed industrially since 1911. A total of 25 new industries was added to the city's already long list, and while the majority of them were comparatively small, being capitalized at from $25,000 to $100,000, many of them are branches of large American concerns that give promise of speedy development, providing that tariff and other conditions continue favorable to Canadian industrial growth. Among the branches of American concerns to select Hamilton as their Canadian headquarters were: Peterson Core Oil Co., Chicago, Ill.; Canadian Nathan Co., New York, N.Y.; Don-O-Lac Co., Rochester, N.Y.; Metlskin Co., Rochester, N.Y.; Moto-Meter Co., Long Island City, N.J.; Canadian Libbey-Owens Sheet Glass Co., Charlestown, W. Va.

American capital is largely interested in others of the new industries, although they are not actually Canadian branches of existing American companies.

The largest new industry to locate in Hamilton during the year was the Canadian Libbey-Owens Company, manufacturers of sheet glass under the Libby-Owens patent. The Canadian company is capitalized at $5,100,000, and its Hamilton plant, which is now under construction, will, when completed, represent an expenditure of upwards of $2,000,000.

SASKATOON.—The outstanding features of the 1920 building program in Saskatoon have been the beginning of construction of new C.N.R. shops and round house, the new Provincial Normal School and the new Physics building of the University of Saskatoon. As part of the C. N. Railway program a new bridge is also to be erected on the side of the existing one.

REGINA.—Despite adverse conditions created by the enhanced cost of material and labor, the City of Regina has experienced a large amount of industrial progress. Commodious warehouses have been erected by Wood-Vallance Company, Fairbanks-Morse Company, Goodyear Tire Company and the Saskatchewan Co-operative Creameries. The Leader Publishing Company have also added to their holdings a large storehouse.

Dividends in January

JANUARY DIVIDEND PAYMENTS

Summary

Banks	$ 860,462
Insurance	258,147
Mining	1,538,755
Industrials	4,945,892
Loan and Trust	1,182,191
Utilities	10,880,208
Bond Interest	5,510,211
	$25,175,866

Banks

Name	Rate	Amount
Dominion	3+1q	$ 240,000
Molsons	3q	120,000
Nova Scotia	4q	388,000
Montreal C. & D.	2½q	37,462
Provincial	2¼q	75,000
		$ 860,462

Insurance

Name	Rate	Amount
Acadia Fire	3q	$ 12,000
Canada Life	3¾q	37,500
Confederation Life	5q	5,000
Dominion Life	4q	6,400
Great West Life	7½s	74,715
Guar. Co. of N. America	3+10	39,598
Imperial Life	3¾q	16,875
Manufacturers' Life	4s	12,000
National Life	4s	10,000
North American Life	5s	3,000
Sun Life	7½s	37,500
Crown Life	3½s	3,559
		$ 258,147

Mining

Name	Rate	Amount
Consolidated Mining	2½q	$ 263,342
Hollinger Mines	1	246,000
Hillcrest Collieries, com.	1½+1q	25,000
Do., pref.	1¾q	12,349
Nipissing	5+5q	600,000
McKinley-Darragh	3q	67,428
Dome Mines	2½q	100,000
North Star Oil, pref.	1¾q	17,500
McIntyre Porcupine	5q	182,010
Intercolonial Coal, com.	3½s	17,500
Do., pref.	3½s	7,626
		$ 1,538,755

Industrials

Name	Rate	Amount
Abitibi Paper, com.	1½q	$ 75,000
Do., pref.	1¾q	17,500
American Cyanamid, pref.	1½q	119,913
Ames-Holden, pref.	1¾q	43,750
Asbestos Corporation, com.	1½+1¾q	97,500
Do., pref.	2q	80,000
Atlantic Sugar, pref.	1¾q	43,750
Brandram-Henderson, pref.	1¾q	8,750
F. N. Burt, com.	2½q	21,462
Do., pref.	1¾q	32,666
Can. Woollens, com.	1¼q	21,875
Do., pref.	1¾q	30,625
Canada Bread, pref.	1¾q	21,875
Canada Cement, com.	1½q	202,500
Canada Paper, pref.	3½q	12,043
Canadian Car, pref.	1¾q	131,250
Can. Consol. Rubber, pref.	1¾q	52,500
Can. Cottons, com.	2q	54,310
Do., pref.	1½q	54,922
Can. Fairbanks-Morse, pref.	3s	45,000
Can. General Electric, com.	2q	160,000
Can. Locomotive, com.	2q	40,000
Do., pref.	1¾q	26,250
Can. Wm. A. Rogers, pref.	1¾+1¾	17,500
Canadian Salt	2q	16,000
Can. Westinghouse	1¾q	109,014
Chase Tractors, pref.	1¾q	13,125
City Dairy, pref.	1¾q	12,250
Can. Connecticut Cotton, p.	2q	60,000
Can. Explosives, pref.	1¾q	81,375
Do., com.	1½q	102,129
Dominion Canners, pref.	1¾q	40,085
Dominion Glass, com.	1½q.	63,750
Do., pref.	1¾q	45,500
Dominion Linens, pref.	3½s	12,250
Dom. Steel Corporation, com	1½q	556,500
Dom. Iron & Steel, pref.	1¾q	87,500
Dom. Textile, com.	2½q	125,000
Do., pref.	1¾q	33,961
Dunlop Tire & Rubber, pref	1¾q	10,500
Goodwins, pref.	1¾q	30,625
Gould Manufacturing, com.	1½q	11,212
Do., pref.	1¾q	13,080
Holt, Renfrew, pref.	1¾q	17,500
Howard Smith Paper, com.	2q	60,000
Do., pref.	2q	30,000
Interprovincial Brick, pref.	1¾q	2,625
Interlake Tissue Mills	3q	7,500
Laurentide Co.	1½q	144,000
Lyall Construction, com.	2q	35,000
Loew's, Montreal, pref.	1¾q	13,125
Loew's, Marcus, pref.	1¾q	11,442
Maple Leaf Milling, com.	3q	75,000
Do., pref.	1¾q	51,275
Nat. Breweries, com.	1q	22,543
Do., pref.	1 1/16	31,218
Nova Scotia Steel, com.	1¼q	187,500
Do., pref.	2q	20,000
Ogilvie Flour, com.	3q	75,000
Ottawa Car Mfg.	1q	11,779
Pacific Burt, com.	1s	6,500
Do., pref.	1¾q	11,375
Port Arthur Shipbldg., com.	2q	30,000
Do., pref.	1¾q	13,854
Price Bros.	2q	170,684
Provincial Paper, com.	1½+1q	62,032
Do., pref.	1¾q	29,750
Rogers, Wm. A., pref.	1¾+1¾q.	4,298
Riordon Co., pref.	1¾q	175,000
Do., 1st cum. pref.	2q	200,000
Sherwin-Williams, pref.	1¾q.	59,937
Shredded Wheat, com.	2q	175,000
Do., pref.	1½q	18,750
Spanish River, com.	1¾q	140,000
Do., pref.	1¾q	99,733
Stanfield's Ltd., com.	1q	5,000
Do., pref.	1¾q	4,375
Tuckett Tobacco, com.	1q	25,000
Do., pref.	1¾q	35,000
Wabasso Cotton	1q	17,500
Western Grocers, pref.	1¾q	41,800
		$ 4,945,892

Loan and Trust

Name	Rate	Amount
Canada Landed	2½q	$ 30,125
Canada Permanent	2½q	150,000
Central Can. Loan	2½q	43,750
Can. Mortgage Invest.	3s	37,077
Colonial Investment, pref.	1½q	36,576
Canada Trust	4s	40,000
Crown Trust	1½q	7,500
Chartered Trust	3½s	15,638
Dom. Savings & Invest.	2½s	23,372
Eastern Can. Savings	2q	10,400
Eastern Trust	2¼	22,500
Guelph & Ont. Loan	5s	46,160
Hamilton Provident	4½s	54,000
Home Invest. & Savings	2q	19,846
Huron & Erie Mortgage	1½+¼	87,500
Imperial Trusts	1½s	3,082
Landed Banking & Loan	4s	40,000
London & Can. Loan	2¼q	28,125
London Loan & Savings	1¾q	15,546
London & Western Trusts	3½s	17,500
Mercantile Trust	1¾q	8,750
Montreal Trust	2q	20,000
Lambton Loan	4s	31,585
National Trust	3q	45,000
Midland Loan	4s	14,400
Ont. Loan & Debenture	2½+¼	48,125
People's Loan	2½s	12,500
Real Estate Loan	3½s	17,500
Royal Loan & Savings	2¼q	13,500
Southern Loan	3s	27,000
Saskatchewan Mortgage	3s	24,261
Standard Trusts	4½s	45,000
Toronto Gen. Trusts	3q	45,000
Toronto Mortgage	2¼q	16,301
Toronto Savings	2½q	25,000
Trusts & Guarantee	3s	42,072
Union Trust	1¾q	17,500
		$ 1,182,191

Utilities

Name	Rate	Amount
Brazilian Traction, pref.	1½q	$ 150,000
B.C. Electric, pref.	2½q	180,000
Duluth Superior, pref.	1q	15,000
Illinois Traction, pref.	1½q	109,342
Ottawa Traction	1q	55,812
Ottawa Electric	3q	56,307
Porto Rico Rlys., pref.	1¾q	17,500
Do., com.	1q	30,000
Twin City, pref.	1¾q	52,500
Do., com.	3	660,000
West India Electric	1¼q.	10,000
Winnipeg Electric, pref.	1¾q	52,500
Canadian Pacific Rly.	2½q	6,500,000
Bell Telephone	2q	446,726
Dominion Telegraph	1½q	15,000
Mackay, com.	1½q	620,706
Do., pref.	1q	500,000
Montreal Telegraph	2q	40,000
Porto Rico Telephone, com.	1q	6,000
Maritime Telegraph, com.	1½q	12,750
Do., pref.	1½q	15,000
Do., pref. (new)	1¾q	17,500
Consumers' Gas	2½q	134,018
Dom. Power & Trans., pref.	3½s	128,838
Niagara Falls Power, pref.	1¾q	201,519
North. Ont. Light & Pr., p.	3s	72,000
Ottawa Light, Heat & Pr.	1½q	52,500
Penn. Water & Pr.	1¾q	148,662
Shawinigan Water & Pr.	1¾q	350,000
Southern Can. Power, pref.	1½q	4,278
West Kootenay Power, pref.	1¾q	7,000
Canada Steamships, pref.	1¾q	218,750
		$10,880,208

BOND INTEREST DUE IN JANUARY

Utilities

Company	Int. Rate	Due	Amount
Calgary Power	5	1940	$ 74,995
Kaministiquia	5	1937	47,562
Laurentide Power	5	1947	187,500
Cedar Rapids	5	1953	287,450
N. Ontario Light	6	1931	137,595
Ottawa Gas	5	1934	3,750
Penn. W. & Pr.	5	1940	266,425
Shawinigan	5	1934	96,925
Sherbrooke Rly. & Pr.	5	1940	27,650
Western Power	5	1949	125,000
Rio Tramway	5	1935	625,000
Sao Paulo	5	1962	243,332
Ottawa Electric	4	1922	7,720
West India Elec.	5	1928	15,000
Cape Breton Elec.	5	1932	27,400
Sydney & Glace Bay	5	1932	3,900
Demerara Elec.	5	1929	12,500
Montreal Trams.	5	1941	408,375
Winnipeg Elec.	5	1935	100,000
Winnipeg Street Rly.	5	1927	30,000
Winnipeg-Selkirk Rly.	5	1923	10,000
Commercial Cable	4	2397	200,000
Maritime Telegraph	6	1941	45,000
Cuba Railroad	5	1952	329,250
C.P.R. Algoma Branch	5	1937	91,250
Victoria Rolling Stock	4½	1928	179,775
			$3,583,354

Industrials

Company	Int. Rate	Due	Amount
Abitibi Power	6	1940	$ 120,000
Ames-Holden Felt	7	1940	13,125
Do., Tire	7	1939	35,000
Asbestos Corp.	5	1942	73,500
Ashdown, J. H.	5	1928	19,708
Atlantic Sugar	6	....	40,350
Canada Iron	6	1939	23,796
Cons. Rubber	5	1947	172,500
Can. Cottons	5	1940	114,177
Can. Locomotive	6	1951	45,000
Dom. Iron & Steel	5	1929	155,925
Holt Renfrew	6	1934	6,750
Inter. Milling	6	1930	18,945
National Breweries	6	1939	47,400
Pulpe de Chicoutimi	6	1943	140,478
N.S. Steel	5	1959	140,960
Eastern Car	6	1952	28,251
Ontario Steel	6	1943	16,146
Riordon Pulp	6	1929	119,970
St. Law. Flour	6	1941	4,770
Sher.-Williams	6	1941	54,195
Robt. Simpson	5	1952	51,012
Span. River	6	1931	69,810
Ontario Pulp	6	1931	41,973
Steel of Canada	6	1940	243,366
Western Coke	5	1924	11,250
Windsor Hotel	4½	1931	13,500
Cons. Smelters	7	1929	105,000
			$1,926,857

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CANADA TEXTILE INDUSTRY IS IN GOOD POSITION

Fifty New Factories Added During the Past Year

COTTON STOCKS LOW

Canadian Public Should Buy Canadian Manufactured Cotton—Big Business Expected This Year

By H. M. BALL,
"Dry Goods Review."

Light is commencing to dawn from out the commercial chaos. And dry-goods merchants may take hope from the particularly favorable position in which the textile industry in Canada finds itself. Fifty textile factories were added to Canada's list during the past year, making the total number of such industries 450. Financial statements show that most of these have done well, a fact further verified by the plant additions now being made and contemplated. These industries have in the main kept full work staffs during the present era of general unemployment, although some slowing down is noted.

The lesson from this situation is that those who have money to spend should spend it. And they should spend it in Canada. The products of other countries are again coming on the Canadian market in competition with our own products, the volume of which was vastly increased during the war. The maintenance of present prosperity, accompanied by restoration of normal prices, the restoration of the Canadian dollar to normal value, and the restoration of public confidence, can all be accomplished by buying Canadian made products now.

Spectacular prices for wool and wool products resulted from the abnormal war demand. Increasing labor costs have maintained the price, but the world's stored wool must eventually find the market. Cessation of buying has all but now cured universal extravagance. The public must necessarily commence buying again soon. If their confidence is restored business will be stabilized and woollen prices will decrease gradually to a normal level.

Throughout the country cotton stocks are very low and the promise is that the next year will be extremely busy for cotton products manufacturers. For some months past trade in these lines has been dull, has fallen flat, and while from eight to nine months are required to reflect the price of raw cottons in the retail market, it is most probable that the coming year will see increased activity with easy grades in price reduction, so that there will be little loss and inconvenience in restoring the normal state of affairs here.

The Canadian public should buy a maximum of Canadian manufactured cottons. We already pay heavy exchange discounts to the States for raw material. We can't afford to duplicate that loss by buying American manufactured goods. So here again maintenance of stability, restoration of public confidence and restoration of our dollar all combine mutually to support each other.

Silks were the first of the commodities in the dry goods group to show the trend of affairs. The market went to pieces all over the world. Speculation, following enormously increased production for war purposes, is the cause. The remedy is to conservatively cultivate the market from both ends—that is, buy when you can promote production and sell at as low a margin as possible until confidence is restored.

C. A. Bogert, president of the Canadian Banking Association, speaking generally, laid down the following advice, which may be applied specifically to the dry goods trade. He said:

"The outook for industry and business is not promising for the next few months, but it is altogether probable that by the end of 1921 a new era of prosperity will be in sight.

"The doctrine of economy has been wisely and insistently promulgated throughout the country, but the time has arrived when people with money to spend should afford some encouragement and assistance by making reasonable purchases. This cannot be construed as extravagance—it is the only way in which commercial liabilities can be reduced and domestic trade stimulated."

The "Wall Street Journal" believes that the turn of the year will see a decided change in the tire and rubber industry throughout the United States. Preparations are being made to increase production, and on the basis of figures submitted by manufacturers spring may find the country facing an actual shortage of tires.

Bank Clearings in 1920

	Dec., 1920.		Change	%	Year 1920.		Change in Yr.	%
Eastern Cities								
Toronto	$ 501,323,633	+	$ 29,849,288	6.3	$ 5,410,214,802	+	$1,158,570,499	27.2
Halifax	19,950,860	—	2,778,693	12.2	254,677,402	+	13,477,208	5.5
St. John	14,161,893	—	1,087,749	7.1	176,671,887	+	25,351,960	16.7
Quebec	32,565,553	+	2,548,891	8.4	364,589,381	+	73,605,898	25.3
Sherbrooke	5,630,308	+	531,252	10.6	64,046,860	+	14,469,996	29.2
Montreal	590,760,454	—	70,457,786	10.6	7,109,139,038	+	857,357,055	13.7
Ottawa	47,220,857	—	5,851,505	11.0	515,006,228	+	42,314,307	8.9
Peterboro	4,422,908	+	391,084	9.7	50,639,788	+	9,263,784	22.4
Hamilton	31,774,421	+	144,974	.4	380,733,960	+	74,372,994	24.2
Brantford	7,394,518	+	656,781	9.7	76,113,949	+	18,026,142	31.0
Kitchener	5,193,175	—	345,585	6.2	61,600,500	+	13,115,405	27.0
London	15,127,876	—	2,575,934	14.5	192,157,969	+	28,031,113	17.0
Windsor	5,906,848	+	3,572,374	38.9	171,282,076	+	75,490,153	18.8
Fort William	5,023,226	+	711,662	16.5	48,071,033	+	6,313,841	15.1
Moncton	3,886,164							
Western Cities								
Winnipeg	$ 403,583,417	+	$138,347,702	52.2	$ 3,015,704,299	+	$ 698,980,231	30.1
Brandon	4,150,418	—	161,146	3.2	41,398,339	+	4,475,568	12.1
Regina	22,452,612	+	860,519	4.0	231,070,268	+	12,171,279	5.5
Moose Jaw	9,654,142	+	849,260	9.6	94,584,910	+	8,137,284	9.4
Saskatoon	10,730,512	—	100,819	.9	118,503,076	+	12,616,492	11.9
Prince Albert	2,222,769	—	297,120	11.8	23,976,238	+	2,502,074	11.6
Lethbridge	4,465,627	+	719,315	19.2	45,989,987	+	7,810,451	20.4
Medicine Hat	2,776,853	+	170,782	.4	27,808,580	+	3,491,580	14.3
Calgary	41,116,330	+	707,781	1.7	438,073,277	+	83,061,688	23.3
Edmonton	26,123,654	—	1,912,880	6.4	294,873,311	+	61,212,577	26.2
N. Westminster	3,118,277	+	625,990	25.1	36,435,337	+	7,411,354	25.5
Vancouver	81,174,710	+	14,333,838	21.4	867,901,614	+	212,988,406	32.5
Victoria	11,565,750	—	892,638	7.1	145,707,146	+	22,355,801	18.1
Total all Can...	$1,919,611,765	+	$107,549,802	5.9	$20,257,021,305	+	$3,547,085,240	21.1

MANY MILLIONS OF UNITED STATES CAPITAL IN 1920

Continued from page 1.

American investment in this industry represents 80 per cent. of the total, and assuming that this percentage was maintained during the year, then the Americans' share would represent $24,000,000. This, however, seems rather high. At the same time when one takes into account that Riordan's alone put out bond issues totalling $16,500,000, and that special efforts were made to interest Americans, it can readily be concluded that the American investment was very heavy. The year witnessed also the completion of the International Pulp and Paper Company's $5,000,000 plant to the extent that the production of sulphite was begun, though newsprint will not be produced until well on in the present year. The New York World bought the St. George Pulp and Paper Company's property in New Brunswick, while other important deals were made, which in the aggregate ran into high figures.

American Industries

Turning aside from the actual investment it will be of interest to note announced undertakings by Americans in this industry, some of which are already under way. There was the announcement of P. T. Dodge, of the International Paper Co., that his corporation would build a second $5,000,000 mill in Canada, which was followed up by the incorporation of a Canadian company, with an authorized capital of $20,000,000. Properties in the Maritime provinces were also acquired by the International. E. W. Backus of the Fort Frances Pulp and Paper Co., with associates, also acquired large timber limits and water power rights in Ontario, one of the conditions being that $2,500,000 is to be invested in pulp and paper plants. Indeed, the estimated total capital outlay in connection with this enterprise is placed at $12,000,000. The Bruce Falls Co., capitalized at $7,000,000, acquired large timber limits from the Ontario government and bound itself to build and equip a $1,000,000 pulp and paper mill. The Fort William Pulp and Paper Co., capitalized at $3,000,000 and controlled by the Mead Investment Co., of Dayton, Ohio, was also undertaken. There was also the purchase of huge holdings by Riordan's, in which American capital is largely interested, to say nothing of other similar undertakings by other corporations in which Americans are much interested. These facts substantiate the contention that the figures given are not unduly high.

New Branch Plants

It is difficult to say how many branch plants of American manufacturing concerns there are in Canada, but in the early part of 1920 the best information placed the number at between 550 and 600, which former number has been very much increased since January 1st, 1920.

The following is a list of 56 American firms, concerning which it was announced during the year that they had either acquired, or had decided to build, plants in Canada: International Pulp and Paper Co., Niagara Wall Board Co., Buffalo; Canadian Libby Owen Sheet Glass Co., Charleston, S. C.; American Ironing Machine Co., Chicago; J. H. Williams Co., Buffalo; Compton Co., Providence; Edison Co., Orange, N. J.; Canadian Meltskin Co., and Don-O-Lac Co., Rochester, N.Y.; Western Cloak Co., La Salle, Ill.; B. C. Lumber Mills Co., United Hotels Co.; Hammerhill Paper Co., Erie, Pa.; J. Stokes Co., Trenton, N. J.; Atlas Crucible Steel Co., Dunkirk, N.Y.; Orton Paper Co.; Standard Pulp and Paper Co., Bruce Falls Co., Samson Co., Jonesville, Wis.; Mead Investment Co., Dayton, O.; Langslow-Fowler Co., Rochester, N. Y.; East Coast Fish Co., Rockland, Me.; Pan-American Rubber Co., Watertown, Wis.; W. A. Hayes, Minneapolis; Norton Co., Worcester, Mass.; Draper Manufacturing Co., Port Huron, Mich.; Woodtite Co., Modesta, Cal.; A. C. Spark Plug Co., Henry Miller Foundry Co., Cleveland; Commerce Motor Car Co., Detroit; Kennedy Carliner and Bay Co., Shelbyville, Ind.; E. Begart Co., Paterson, N. J.; Sherbrooke Iron Works; De Long Hook and Eye Co., Philadelphia; Mead-Morrison Co., Boston; S. C. Johnston Co., Racine, Wis.; Great Eastern Fisheries, Ltd.; American Car and Foundry Co.; Gartley Weston Co., Detroit; Burroughs Adding Machine Co., Peterson Oil Co., Chicago; Nathan Manufacturing Co., N. Y.; A. J. Root Co., Medina, O.; Wood Hydraulic Hoists and Body Co., Detroit; Swift Canadian Co.; Lanson Hubbard Co., Boston; R. Steel Co., N. Y.; Republican Truck Co., Cleveland; Gerlock-Barklow Co., Joliet, Ill.; Jenckes Spinning Co., Pawtucket, R. I.; Mannhasset Cotton Mills, Providence, R. I.; E. W. Backus, Minneapolis; Bruce Falls Co.; New York World; San Francisco and Fort McMurray Oil Refining Co. Nor is this list complete. Of course, it is impossible to say how far these announcements were followed up.

In Western Lands

To place at $7,000,000 the amount of American capital that found its way into western land holdings is not excessive when one recalls that whole sections were bought by Americans at $100 an acre. But this does not, of course, include sales to actual settlers, but to proprietors resident in the United States. Seven million dollars may seem to be a lot of money, but at present prices ranging from $17 to $70 an acre, while the average value per acre of land in the three prairie provinces today is $30. So it is improbable that $7,000,000 would buy much more than 250,000 acres. The rate of exchange would, of course, reduce the price to the American purchaser by from 11 to 15 per cent., so it was not surprising that landmen, and financiers in large numbers from south of the border were out over the prairies during the year.

The figures for money and settlers' effects brought by the 50,000 settlers from the United States during the year are not included in the foregoing estimate. This may be placed at approximately $17,000,000. Nearly all of this would naturally go into, or upon, land. This was net gain to Canada; but as it was pretty much loss to the United States, it cannot be considered as an American investment. During the last twenty years probably about $270,000,000 has been brought into the country in this way.

An Enormous Total

Estimates of the total of American investments in Canada vary greatly, ranging all the way from $1,250,000,000 to $1,900,000,000. There is, however, good reason for saying they are approximately $1,800,000,000. Without again traversing old ground, it may be assumed that at the outbreak of war these investments amounted to $600,000,000. During the interval they have undoubtedly averaged $200,000,000 a year. Bond sales in the United States during the period 1914-20 inclusive totalled approximately $1,080,000,000; deducting $280,000,000 for refunding would leave the net $800,000,000. The industrial investments may be safely placed at $250,000,000; while the increase in the assets of American insurance companies add another $60,000,000. Land sales may be put at $50,000,000. Allowance should be made for securities bought in Canada outside of the war loan subscriptions during 1914-19, as well as for Canadian securities sold by British and foreign investors since the outbreak of the war and purchased by Americans; these with miscellaneous investments would account for another $50,000,000. Add to these items the $600,000,000 invested before the war and the conclusion is reached that American investments in Canada today range around the $1,800,000,000 mark.

This figure finds striking approximate confirmation in the authoritative computation made by the Bankers Trust Co. of New York, which some months ago issued a statement showing that the Canadian loans outstanding in the United States at July 1st, 1920, were approximately $524,000,000, all of which, with the exception of $100,000,000, were placed since 1914. This, however, did not include subscriptions in the United States to internal loans, which in the case of Canadian war bonds alone, would undoubtedly bring the total up to $700,000,000. Since that date the sales of new Canadian issues in the United States have amounted to another $140,000,000, to say nothing of internal issues. So that making deductions for refunding operations, it is thus found that the estimate of $800,000,000 as the net amount of outstanding Canadian issues in the United States is not far astray, it being remembered, of course, that this does not include bonds unloaded by overseas investors, or old Canadians, other than war issues, purchased by Americans.

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MORE MORTGAGE MONEY NATIONAL NEED FOR CANADA

Is Machinery in Ontario Adequate to Meet Needs?

SOME NEW CONDITIONS

Demand for Mortgage Funds at Eight Per Cent.—And the Supply is Not Sufficient Even at This Rate

By JOHN APPLETON

Loaning institutions, by which is meant those lending on mortgage security, are very busy. Such is the pressure for money as to presage a continuation of it for some time. Why, it may be asked, does not the law of supply and demand operate in this case? Why does not the supply respond to the prevailing high rates? A bond salesman returning from the thrifty towns of Western Ontario said that many firms who do more or less of a mortgage business—there are a number of them not registered as loan corporations—won't buy bonds now because they can place all the money they can get their hands on in eight per cent. mortgages. This is in Ontario, where a few years ago mortgages at five and six per cent. were extremely hard to get. Now they can be got, and such is the volume of demand that it is not being met. In other parts of Canada there is corresponding scarcity of mortgage money.

Effects of Money Shortage

What does this mean to Canada—to the expansion of its housing accommodation, whether on the farm or in the towns and cities, and to the development of our primary and most important industry, that of agriculture? Premier Drury of Ontario has very properly—and very timely—pointed out "that Canadian farms must go on and go on strongly." The secretary of the Canadian Council of Agriculture has joined voice with Premier Drury in pointing out that the crop of this year—a bountiful one in point of volume—was gathered in at great cost. Threshermen at Nanton, Alta., as at other places out west, were being paid $8.00 and $10.00 per day and everything else the farmer had to buy was correspondingly high. Meanwhile, as Secretary Lambert said, prices dropped with a "sickening thud." Under such conditions the farmers have in thousands of instances to borrow from the mortgage lender on the security of their land to pay off the temporary advances of the banks. But these demands—and in normal times they are preferred by lending corporations—are far from being met to a reasonable extent. Similarly the homebuilders in cities and towns are being handicapped by lack of mortgage money.

Checked Growth of Homes

Here then are two essentials to the most desirable kind of progress—agricultural and home development—for the time being stalled. Savings are not available to be put into that service.

New conditions exist which may well be given more attention. Before the war, money—or, let us say, the savings of the frugal Scot, Briton, Hollander, Belgian and Frenchman—was available in measureable volume, and that added to the savings of our own people, met fairly well the demands of the home builder, whether on farm or in the city. If anything, the supply was too plentiful. Now there is no external supply. It has been cut off. It is worth while noting that in 1912, of a total of $230,782,912 in bonds issued in Canada, 72.13% were taken in Britain. In 1920, $318,832,081 in bonds were issued and none were taken in Britain. In the meantime no new source for mortgage money has developed. For our bonds the United States has become a good customer, but they are only taken there at a price to yield as high a rate of interest as mortgages in Canada bear. That is if we went to the United States to get money for mortgage purposes the price would be not less than eight per cent., a prohibitive rate.

Is Mortgage-Lending Machinery Up to Date?

What, then, is going to be done about this state of affairs? Is it not time that an examination of our lending agencies and machinery was made? Earlier in the year THE FINANCIAL POST gave some very illuminative information about the loan and trust companies. To the writer, its chief virtue was that it disclosed, relatively speaking, a somewhat deplorable state of stagnation. Taken as a whole, for some years, no expansion has taken place. Land and real estate yearly is returned by the government statistical bureaus as being more valuable. The product of the fields in terms of dollars has increased enormously, and if labor and capital on practical terms had been more plentiful the increase would have been still greater. But, despite this expansion in products of land and in improvement values, there has been no corresponding expansion in the agencies which devote themselves particularly to lending upon the security of land and its improvements. Their volume of mortgages has in recent years contracted. Their assets have remained on the same level practically—the only change being that they have become more liquid. General conditions warranted some change in this respect. But if the banks and insurance companies could obtain from the public a vastly greater volume of its savings than they did a few years ago, why could not the mortgage corporations? It is quite true that moratoria, inequitable war burdens, and retroactive legislation were to them a severe handicap, but allowing for these and having a regard for the demand for mortgage loans and the higher rate of interest they now bear, it would appear that there must be some defect in our agencies for obtaining of the savings of the people a sufficient volume for so desirable a public need—the provision of mortgage loans on reasonable terms.

A summary of the position of Ontario loan companies discloses a condition of strength and one which offers undoubted security for savings. From their various statements—that is of loan companies taking deposits—the figures in the accompanying table are taken:

Liabilities and Assets of Ontario Loan Corporations taking deposits:

Liabilities to the Public		
Deposits	$26,257,746	
Debentures	48,860,384	
Other Liabilities	1,300,099	
		$ 76,418,231
Liabilities to Shareholders		
Capital	$32,765,275	
Reserves	22,578,840	
		$ 55,344,115
		$131,762,347
Assets		
Real Estate and Mortgages	$88,659,260	
Stocks and Bonds	32,174,614	
Cash in Banks	5,601,429	
Other Assets	5,327,042	
		$131,762,347

It will be noted from the above that for every $100 in deposits, the companies hold as security $143 in cash or securities; or $122 in securities and $21.00 in cash. For every dollar owing to the public the companies have $1.80. Taken as a whole, no class of institutions has greater reserves for the protection of the funds the public have entrusted to them. Nevertheless, the loan companies in Ontario which essay to induce the public to entrust their savings to them have not succeeded to the extent of bringing their deposit liability up to the amount of their capital. As the summary indicates, the deposits at the end of 1919 amounted to $26,257,746, and the capital to $32,765,275.

Stupid Limitations

There are individual companies however whose deposits exceed their capital, and whose legitimate expansion has been blocked by the somewhat stupid limitations set by the present Loan and Trust Corporations Act. The least that ought to be done and done at once is to give those companies whose natural growth is being prevented reasonable scope. But that would not so change the character of the loaning companies as to place them in a position to assume their place as efficient agents in obtaining a desirable proportion of the savings of the public for employment as mortgage money. Are they showing the same enterprise in obtaining deposits as are the savings banks of the United States? In that country such institutions correspond to our loan and savings associations and provide the larger proportion, I believe, of the mortgage needs of the borrowers who require only moderate advances. It is that class whose needs are most important. Larger borrowers usually have facilities for obtaining the money they need.

Nothing can be more certain than that the mortgage demands of the home and farm builder will be met in some way—if not through private, then by state agency. The last named should only be a last resort. It will mean additional taxation as exemplified by Manitoba, Saskatchewan and British Columbia and as will be exemplified by Ontario in the matter of housing loans. Strangely persistent is the ostrich-like simplicity of our politicians who still try to hide from the public view the real facts as to cost and results of government and municipal mortgage lending. It is a business that only the experienced should enter—but if the experienced mortgage lender fails to adjust his machinery to meet new conditions he cannot be surprised if he finds himself ultimately displaced by newer agencies, either government, wholly or semi-philanthropic, in which the ratepayer would pay the loss.

Some of the existing companies have shown individual growth on a considerable scale. Their deposits are swelling appreciably. But it is not individual, but general expansion of companies that is necessary. If the companies are restricted too much or if the rewards of the business, when strictly confined to mortgage lending, are too meagre, then give more latitude, so that enterprising groups may make it worth while to establish and build institutions that will attract more savings to be applied as loans on real estate. Unless something takes place along this line, the progress of the next few years will be halting and unsatisfactory.

But a few days ago a dividend notice of a loan corporation came into my hands and it reminded those who were to receive the dividends that the profits of the corporation depended upon its being used as a depository for savings. Nothing was more true. But why should these companies be compelled to provide a dollar of capital to obtain sanction to accept one dollar on deposit? Departmental stores and industrial establishments can carry on a savings department without restrictions of this kind—or any restrictions. But if citizens join together to obtain savings to be employed as far as practicable in the form of mortgages, and subject themselves to more rigid inspection than any other form of business is subjected, unless it be that of insurance, they are restricted altogether too much. What is a more secure foundation for the safety of deposits, or of the solvency of any institution than well selected mortgages in moderate amounts to folks of moderate means? It is to these that the mortgage is of the greatest value. When their needs in this respect are met prudently there will be healthy national progress. That is the need of the hour.

LIVESTOCK MARKET CONDITIONS IN 1920

Big Decrease in Exports of Meats Indicated by Ottawa Figures

OTTAWA.—The summary following indicates the condition of the market for live stock and live stock products in 1920 as compared with 1919. The estimated decrease in cattle expressed in terms of dead meats was approximately 149,000,000 pounds, assuming that the cattle marketed in 1920 were of equal weight and quality with those marketed during the previous year. The decrease in exports of beef as dead meats amounted to 18,000,000 pounds. The total decrease in exports expressed as meats was therefore about 167,000,000 pounds.

This condition of trade was an outstanding factor in the movement to lower price levels during the past year. The major part of the beef and practically all the cattle exports were made to the United States markets, the British market being a comparatively negligible factor. The usually wide American outlet was very restricted owing to the indifference of the United States feeders who had not forgotten the heavy losses sustained in the breaking of the fat cattle market last spring. Moreover, at times our prices were out of line with those on American markets, and even the condition of exchange was not fully compensatory.

	Year 1919	To date, 1920
Population	10,085,011	9,477,380
Pub. market	1,052,090	785,493 Dec. 9
To. slaughter	945,817	664,108 Nov. 1
Exports, alive	530,585	157,511 Oct. 1
Store cat. mv.	187,140	148,487 Dec. 1
Exp. beef (lb.)	67,485,500	49,381,000
Per capita con. of beef (lb.)	59	59

RUSH INTO OIL FIELDS OF NORTH IS ANTICIPATED

Continued from page 3

pany in its development programme next year.

Not much reliance is being placed here upon various reports from one source and another of projects to build pipe lines into the Mackenzie country, one such project calling for a line across the Rocky Mountains to some port on the North Pacific coast. It is certain that nothing in the way of pipe line construction will be undertaken until the fields have been fully proven and that is quite likely to be a matter of more than a year or two.

Quoting Dr. Allan again, the recent salt and gypsum discoveries at Fort McMurray will be of only second importance to the big oil finds. The strike at the well drilled by the Alberta Government during the past year has proved the existence of high-grade rock salt in commercial quantities, and by mining it can be extracted economically, thinks Dr. Allan, who has been examining the core from the drill at the University laboratories. Commercial deposits of gypsum were also found above the salt horizon, and when the salt is mined it will be possible to work the gypsum from the same shaft.

It seems fairly certain now that during the coming summer active field operations will be carried on also in the development of the Athabasca tar sands. The San Francisco and Fort McMurray Oil Refining Company is arranging for an actual beginning of work in the spring on its claim near Fort McMurray. Satisfactory tests in the extraction of the bitumen content from the sands have already been made. Some California capital, represented by H. C. Noonan and Hugh Howell, both experienced oil operators at the Pacific coast and the Hawaiin Islands, is interested in the undertaking. Major General W. Bethune Lindsay also has a 1920-acre lease of tar sand land on the Athabasca, and it is his announced intention to begin development during the coming year.

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